A-SONIC AEROSPACE LIMITED
Regn. No. 200301838G

(I) PROFITABLE: LAST 3.5 YEARS
(II) NET BOOK VALUE: S$52.601 MILLION @ 30 JUNE 2021
(III) PAID / DECLARED DIVIDEND LAST 3.5 YEARS;
STILL ON SGX WATCH LIST

A-Sonic Aerospace Limited (the "**Company**") and its subsidiaries (the "**Group**") had, achieved:

(i) Profitable and paid / declared dividends for the last 3.5 years, since FY 2018, FY 2019, FY 2020 and first six month ended 30 June 2021;

(ii) "Net Assets (Attributable to Equity holders of the Company)" ("**NA**" or "**Net Book Value**") of S$52.601 million (or US$39.132 million) as at 30 June 2021.

Despite the above, we remain on the SGX watch list, solely because we have not achieved an average daily market capitalization of S$40 million. In this regard, potential share investors may still stay on the sideline due to concerns with the watch-list status and potential delisting, despite improved financial performance and position. Fund managers and investors are either unable, unwilling, or unlikely, to invest in a Company with the "watch list" stigma.

Update on Financial Results

For the first six (6) months ended 30 June 2021 ("**1H 2021**") compared to the previous corresponding period ended 30 June 2020 ("**1H 2020**"), our Group achieved:

(i) an increase of US$73.779 million (62.1%) in "Turnover" to US$192.576 million in 1H 2021, compared to US$118.797 million in 1H 2020;

(ii) an improvement of US$3.493 million in "Operating Profit" to US$3.356 million in 1H 2021, compared "Operating Loss" of US$0.137 million in 1H 2020;

(iii) higher consolidated "Net Tangible Assets" ("**NTA**") of US$39.132 million (equivalent to S$52.601 million) as at 30 June 2021, compared to US$36.241 million as at 30 June 2020; and

(iv) a reduction in bank gearing to 0.3 as at 30 June 2021, compared to 4.8 as at end 30 June 2020.

In summary, our operating performance improved in 1H 2021, compared to 1H 2020. Our "Operating Profit" excludes once-off non-recurrent items. In 1H 2020, an aggregate of US$3.857 million one-off gain which resulted from the divestment of an associate company, that was not present in 1H 2021. Additionally, the government grants from the various

countries that we operate in, reduced substantially (56.5%) in 1H 2021, compared to that in 1H 2020.
Despite the continued challenging global economic condition arising from Covid-19 in 1H 2021, we recorded:

(i) "Profit Before Tax" of US$4.441 million;

(ii) "Net Profit After Tax" of US$4.044 million; and

(iii) "Net Profit Attributable to Shareholders of Parent Company" of US$3.243 million.

A summary of the performance of each business unit is tabulated below:

Business Unit Performance		**"Profit Attributable to Equity Holders of the Company" for FY 2018**	**"Profit Attributable to Equity Holders of the Company" for FY 2019**	**"Profit Attributable to Equity Holders of the Company" for FY 2020**	**"Profit Attributable to Equity Holders of the Company" for 1H 2021**
(i) Aviation business unit	:	US$1.268m	US$0.097m	(US$1.872m)	(US$0.430m)
(ii) Logistics business unit	:	US$0.213m	US$2.436m	US$8.199m	US$3.673m
Consolidated A-Sonic Group	:	US$1.481m	US$2.533m	US$6.327m	US$3.243m

Our Group's key financials is summarized below:

		(12 months) FY 2018	**(12 months) FY 2019**	**(12 months) FY 2020**	**(6 months) 1H 2021**
(i) Profit Before Tax (**US$'000**)	:	812	3,481	7,920	4,441
(**Equivalent S$'000**)	:	1,095[(1)]	4,744[(2)]	10,907[(3)]	5,920[(4)]
(ii) Profit After Tax (**US$'000**)	:	630	3,107	7,638	4,044
(**Equivalent S$'000**)	:	850[(1)]	4,235[(2)]	10,518[(3)]	5,391[(4)]
(iii) Net Profit Attributable to Equity Holders of the Company (**US$'000**)	:	1,481	2,533	6,327	3,243
(**Equivalent S$'000**)	:	1,997[(1)]	3,452[(2)]	8,713[(3)]	4,323[(4)]
(iv) Earnings Per Share ("EPS") (**Equivalent S$ cents**)[(5)]	:	3.4	5.9	14.9	5.5
(v) Net Assets (Attributable to Equity Holders of the Company) ("NA") (**US$'000**)	:	27,676	29,821	36,241	39,132
(**Equivalent S$'000**)	:	37,758[(1)]	40,160[(2)]	47,914[(3)]	52,601[(4)]
(vi) NA/share (**S$ cents**)	:	64.6[(1)]	68.7[(2)]	81.9[(3)]	89.9[(4)]
(vii) Historical Price Earnings Ratio (Historical)[(6)]	:	10.3	5.9	2.3	N.A[(7)]
(viii) Share Price at Discount to NA [(8)]	:	4.8%	10.5%	24.9%	31.6%
(ix) Bank Gearing Ratio (Bank borrowing)	:	15.1	14.4	4.8	0.3

Notes:
(1) Based on foreign currency exchange rate on 31 December 2018 (End rate at US$1=S$1.3643 & Ave rate at US$1= S$1.3486).
(2) Based on foreign currency exchange rate on 31 December 2019 (End rate at US$1=S$1.3467 & Ave rate at US$1= S$1.3629).
(3) Based on foreign currency exchange rate on 31 December 2020 (End rate at US$1=S$1.3221 & Ave rate at US$1= S$1.3771).
(4) Based on foreign currency exchange rate on 30 June 2021 (End rate at US$1=S$1.3442 & Ave rate at US$1= S$1.3331).
(5) Based on "Net Profit After Tax Attributable to Equity Holders of the Company" FY 2018, FY 2019, FY 2020 and 1H 2021.
(6) Share price was based on the closing market price of S$0.615 on 13 August 2021, and earning was based on "Net Profit After Tax Attributable to the Equity Holders of the Company".
(7) N.A. denotes "Not Applicable"
(8) Share price was based on closing market price of S$0.615 on 13 August 2021.

Extension of Cure Time Grant

On 19 May 2021, we had announced that the Singapore Exchange Securities Trading Limited ("**SGX-ST**") had approved the extension application of the cure period to 4 June 2022. The SGX-ST's approval is subject to the following:

a) the Company announcing the Waiver granted, the reasons for seeking the Waiver, the conditions as required under Mainboard Listing Rule 107 and if the Waiver conditions have been satisfied. If the Waiver conditions have not been met on the date of announcement, the Company must make an update announcement when the conditions have all been met; and

b) submission of a written confirmation from the Company that it is not aware of any information that will have a material bearing on investors' decision which has yet to be announced by the Company.

Action Taken

We will continue to manage our business prudently, despite the challenging COVID-19 pandemic environment. Management can only strive for our economic sustainability and financial strength – taking all steps and measures to navigate and manage through the turbulent economic conditions. We attempt to: (i) restructure our business and operations in relation to any entity operating under "A-Sonic Logistics" brand name which incurs losses; and (ii) increase productivity.

In contrast, our market capitalization is highly correlated to the liquidity of our share trading price and the market's perception of our value of S$35.965 million as at 13 August 2021, despite our net book value of S$52.601 million as at 30 June 2021.

Further Material Development

The Company will make immediate announcement in the event there is any material development.

About Us

A-Sonic Aerospace Limited and its subsidiaries (the "**A-Sonic Group**" or the "**Group**") are engaged in two areas of businesses, aviation and logistics. We operate in 29 cities in 16 countries, spanning four (4) continents in Asia, North America, Sub-Continent India and Europe. Our staff strength was approximately 620 personnel as at 30 June 2021.

Our aviation business relates to the sale and purchase of aircraft and aircraft engines.

Our logistics business relates to supply chain management services and logistic solutions, including international and domestic multi-modal transportation, warehousing, distribution, customs clearance, and airport ground services.

ISSUED BY ORDER OF THE BOARD

Loo Keat Choon
Joint Company Secretary

13 August 2021