



A-SONIC AEROSPACE LIMITED  
Regn. No. 200301838G

## QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL

In accordance with Rule 1313(2) of the SGX Listing Manual, the Board of Directors of A-Sonic Aerospace Limited (the "Company") wishes to provide the following update for the first quarter ended 31 March 2020 ("1Q 2020").

### Quarterly Update

We have a Herculean task ahead in this 2020 year, as borne out by the current Covid-19 situation worldwide. To achieve progress in a rapidly changing global market in 2020 and beyond – requires us to think, and do things differently. It demands change – willingness to embrace the changes; and the agility to manage our respond to external forces.

In 1Q 2020, we stayed focus to operate more cost effectively in view of the weaker market condition.

Another development that occurred in 1Q 2020 – on 5 March 2020, we announced the completion of our divestment of a non-core associate company, engaged in the provision of cargo handling services in Hong Kong.

Despite the Company and its subsidiaries (the "Group"):

- (i) being profitable for the last two (2) audited financial years ("FY") in FY 2018 and FY 2019;
- (ii) the Company's volume weighted average price of S\$0.31 per share for the last six (6) months since the date immediately preceding this announcement, exceeding the requisite S\$0.20; and
- (iii) the audited consolidated Group Net Book Value (Equity Attributable to Equity holders of the Company) of US\$29.821 million (or equivalent to S\$40.160 million) as at 31 December 2019.

We are still on the SGX watch list. This is solely because we have not achieved the requisite daily average market capitalization of S\$40 million.

### **Action Taken**

We will continue to:

- (i) restructure the operations and business of subsidiaries or associated companies that are incurring losses;
- (ii) attempt to reduce our operating costs and increase productivity; and
- (iii) restructure and attempt to reduce foreign exchange currency impact on our business, where commercially feasible.

### **Further Material Development**

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

### **Rule 1313 (2) Criteria**

The Company was placed on the watch-list on 5 June 2017 as the Company recorded:

- (i) pre-tax losses for the three most recently completed consecutive financial years (based on audited full year consolidated accounts and an average daily market capitalization of less than S\$40 million over the last 6 months; and
- (ii) a volume weighted average price of less than S\$0.20 and an average daily market capitalization of less than S\$40 million over the last 6 months.

### **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 700 personnel as at 31 March 2020.

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

Our logistics business relates to supply chain management services and logistics 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

6 May 2020