

RESPONSE TO SGX QUERIES

The Board of Directors of A-Sonic Aerospace Limited (the “**Company**”) wishes to announce that Singapore Exchange Securities Trading Limited (“**SGX-ST**”) raised the following queries on 29 August 2022 in relation to the Company’s and its subsidiaries’ (the “**Group**”) financial results for the first six (6) months ended 30 June 2022 (“**1H 2022**”):

a) **SGX Query**

Please disclose the breakdown of cash and bank balances as at 30 June 2021 and 30 June 2022 and the amounts which are interest bearing.

Company’s response

The Group’s cash and bank balances as at 30 June 2021 and 30 June 2022 and the amounts which are interest bearing are as follows:

	Group 30 June 2022 US\$’000	Group 30 June 2021 US\$’000
(i) <u>Non-interest bearing</u> Bank and cash balances	21,747	11,377
(ii) <u>Interest bearing</u> Bank and cash balances	27,246	18,763
Total “Cash and cash equivalents” as per consolidated statement of financial position	48,993	30,140

Total “Cash and cash equivalents” increased US\$18.853 million to US\$48.993 million as at 30 June 2022, from US\$30.140 million as at 30 June 2021. This was largely attributable to:

- (i) an increase of US\$10.370 million in non-interest bearing bank balances from US\$11.377 million to US\$21.747 million. This increase of US\$10.370 million was largely attributable to the timing difference in, collection of account receivables and payment of account payables, where the Group’s current liabilities increased US\$9.689 million (as elaborated under the section entitled “Current liabilities” on page 15 of our 1H 2022 results announcement); and
- (ii) an increase of US\$8.483 million in interest bearing bank balances from US\$18.763 million to US\$27.246 million. This increase of US\$8.483 million was largely attributable to the profit of US\$10.499 million generated between 1H 2022 (US\$5.441 million) and second half ended 31 December 2021 (US\$5.058 million).

BY ORDER OF THE BOARD

Hue Su Li
Joint Company Secretary

1 September 2022