A-SONIC AEROSPACE LIMITED
Regn. No. 200301838G

A-SONIC AND JGL GROUP FORGE STRATEGIC JOINT VENTURE PARTNERSHIP TO ACCELERATE GROWTH

1. INTRODUCTION

1.1 The board of directors ("**Board**") of A-Sonic Aerospace Limited (the "**Company**") is pleased to announce that, A-Sonic Logistics Pte Ltd ("**A-Sonic Logistics**"), one of the Company's wholly-owned subsidiaries, has entered into a joint venture partnership agreement ("**JVA**") with:

(i) 3DC Solutions Pte Ltd (the "**JVC**"); and

(ii) its three individual shareholders, namely, Mr Desmond Gay Kah Meng ("**Desmond**"), Mr Lim Hak Leng ("**Daniel**"), and Mr Hia Chun Yong ("**David**"). The three (3) individuals collectively referred to as "**JV Partners**" or the "**JVC Shareholders**".

1.2 The JVA creates long-term alignment of interests, and establish a collaborative strategic platform to accelerate future growth (the "**Joint Venture**").

2. BACKGROUND INFORMATION

2.1 JVC has 100% equity interests in the following three (3) holding companies (collectively referred to as "**3 Holding Companies**"):

(i) 3DC Investment Pte Ltd ("**3DC Investment**");

(ii) JGL Worldwide (SG) Pte Ltd ("**JGL Worldwide**"); and

(iii) JGL Investment Pte Ltd ("**JGL Investment**").

2.2 JVC, each of the 3 Holding Companies, its subsidiaries, and associated companies (collectively referred to as the "**JGL Group**") are engaged in logistics-related activities.

2.3 JGL Group provides multi-modal freight forwarding across ocean, air and land. It is complemented by paper trading activities and a depot (under development) for ISO tank cleaning, repair and maintenance ("**Isotank Depot**") in South Vietnam.

2.4 JGL Group serves a diversified and sticky customer base across multiple industries. Its long-standing business relationships with carriers enables preferential access to cargo space and enhanced margins.

2.5 The range of logistics services covering freight forwarding, procurement/trading, and depot services is summarized at **Annex 1**.

2.6 JGL Group is a Singapore-headquartered integrated logistics platform with over 30 years of operating history and an established presence across six (6) Southeast Asia ("**ASEAN**") countries. The ASEAN network with local execution capabilities of the JGL Group is exhibited at **Annex 2**.

2.7 The experienced management team with logistics expertise is shown at **Annex 3**. They are, namely, Desmond (Chairman), Daniel (CEO), and David (COO).

3. SALIENT TERMS OF THE JVA

3.1 To establish the strategic joint venture:

(i) New Share Issue

JVC Shareholders shall procure JVC to issue 1,549,587 new ordinary shares to A-Sonic Logistics. This represents approximately 23.66% of the enlarged issued and fully paid-up capital of JVC for an aggregate cash consideration of S$6,000,000 ("**New Share Issue**"); and

(ii) Vendor Shares

JVC Shareholders shall divest an aggregate of 2,380,166 existing ordinary shares to A-Sonic Logistics for a cash consideration of S$9,216,000 ("**Vendor Shares**"). The breakdown of the sale of Vendor Shares by each of the JVC Shareholders is as follows:

(a) Desmond : 666,446 existing ordinary shares (S$2,580,478.14);

(b) Daniel : 1,047,274 existing ordinary shares (S$4,055,043.72); and

(c) David : 666,446 existing ordinary shares (S$2,580,478.14).

The aggregate 2,380,166 Vendor Shares, represents approximately 36.34% of the enlarged issued and fully paid-up capital of JVC for a total amount of S$9,216,000.

Collectively, sub-paragraphs 3.1 (i) and (ii) above, shall be referred to as the proposed transaction ("**Proposed Transaction**").

3.2 Completion of the JVA is subject to approval by shareholders of the Company at an Extraordinary General Meeting ("**EGM**") for the purposes of considering, and if thought fit, approve the Joint Venture.

4. TOTAL CASH CONSIDERATION

4.1 In consideration for the Proposed Transaction elaborated at paragraph 3.1 above, A-Sonic Logistics shall pay an aggregate cash consideration of S$15.216 million ("**Total Cash Consideration**"), for an equity interest of 60% in the enlarged issued share capital of JVC, immediately upon completion of this Proposed Transaction. The expected completion date of this Proposed Transaction is on 1 October 2026 ("**Completion Date**").

4.2 The Total Cash Consideration was arrived after arm's-length negotiations between A-Sonic Logistics and the JVC Shareholders on a willing-buyer willing-seller basis, after taking into account, *inter alia*:

(i) the strategic rationale and potential benefits arising from the Proposed Transaction as elaborated at paragraph 5 at pages 3 to 7 of this announcement;

(ii) the growth potential, business prospects, and competitive positioning of the enlarged A-Sonic Group, and the synergistic operational benefits on a combined basis;

(iii) the potential synergies, operational efficiency, and cost savings that A-Sonic Logistics and the JGL Group are likely to harness together from the Proposed Transaction; and

(iv) the valuation of the JGL Group, which includes various approaches:

(a) price-earnings ("**P/E**" ratio) and earnings before interest, tax, depreciation and amortisation ("**EBITDA**") in relation to the multi-modal logistics and related businesses; and

(b) discounted cash flow ("**DCF**") analysis, particularly relating to the Isotank Depot business which is currently still under development and yet to commence operations. The business of the Isotank Depot is on a plot of leasehold land located in the vicinity of Ho Chi Minh. It is expected to commence operations in the fourth (4^{th}) quarter of 2026.

5. RATIONALE FOR THE PROPOSED TRANSACTION

5.1 The Proposed Transaction supports the A-Sonic Logistics' long-term growth strategy, and is expected to strengthen its position in the logistics sector in Singapore and ASEAN through the following:

(i) Earnings Accretive – EPS Increased 35.9%

The Proposed Transaction is expected to be earnings accretive to the Company and its subsidiaries (the "**A-Sonic Group**") as indicated at paragraph 7.2 at page 8. The earnings growth of 35.9% is largely expected from:

(a) Revenue growth of 27.8%;

(b) Higher gross margin; and

(c) Cost savings.

The Earnings Per Share ("**EPS**") of the A-Sonic Group would have increased Singapore cents 3.76 to Singapore cents 5.11.

The earnings growth is expected to be generated from 27.8% higher "Turnover" to US$292.686 million from US$228.955 million as indicated at paragraph 7.2 at page 8.

With post-merger integration:

(a) Consolidating overlapping operations;

(b) Combining logistics facilities and warehouses;

(c) Reducing duplicate back-office functions (human resources, finance, administration, etc.); and

(d) Increasing purchasing power and operational efficiency owing to larger scale.

Cost savings are also expected to increase earnings and profit margins.

(ii) Strengthen Platform to Scale Up for Future Growth

(a) The Proposed Transaction is expected to scale up 27.8% of "Turnover" to US$292.686 million, as indicated at paragraph 7.2 at page 8;

(b) The A-Sonic Group's market presence and market reach (in terms of sales/turnover), in ASEAN would have more than 3 times (310.4%) to US$94.017 million from US$30.286 million. With ASEAN being one of the fastest growing economy, and a population size of close to 700 million, the window of opportunity is wide open for future growth; and

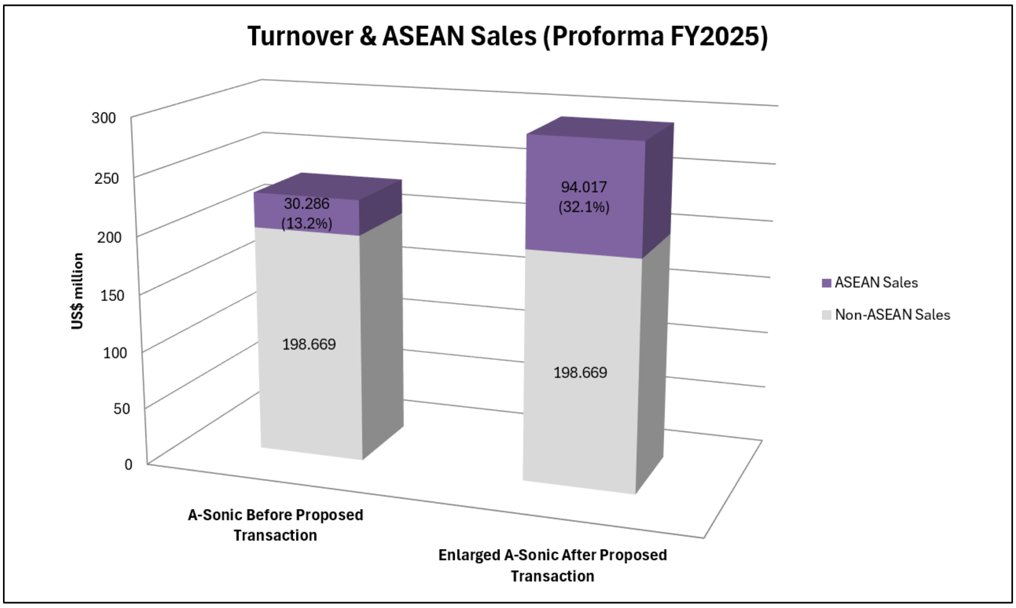
(c) ASEAN sales would constitute approximately 32.1% of the enlarged A-Sonic Group, after the Proposed Transaction, compared to only 13.2%, as shown in the chart below. This is in line with A-Sonic Group's strategic plan to fortify and deepen our presence in one of the fastest growing economic region.

The significance of reinforcing our presence in ASEAN is mainly because the A-Sonic Group has been receiving increasingly more sales enquires from existing and new customers for the ASEAN trade lanes from Europe, North America and intra-ASEAN. A few current live cases are elaborated below:

(i) Our existing customers engaged in semi-conductor, manufacturing, healthcare, fashion garments branded shoes, high-end furniture, etc. are increasingly expecting A-Sonic Group to better serve them as one-stop-total logistics solutions in ASEAN, including the complicated customs clearance in countries such as Vietnam, Cambodia, Indonesia and Thailand, as they establish and commence business in ASEAN;

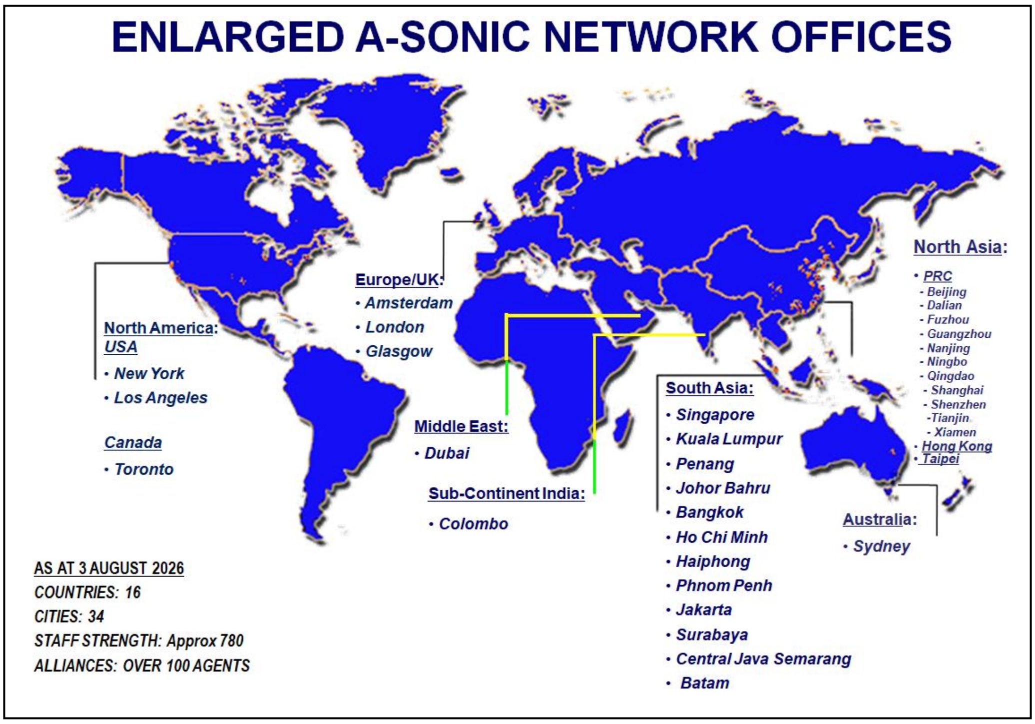
(ii) With a stronger operational team in ASEAN, A-Sonic Group expects to better serve our customers and retain the captive business from our existing and new customers. For example, our subsidiary, A-Sonic Logistics (UK) Ltd, is focusing in the UK/EU – Vietnam trade lane in the second-half of 2026; and

(iii) Another current example of increasing sales request from our existing customer: A-Sonic Logistics (Malaysia) Sdn Bhd is working with JGL Group in Cambodia as a team to reduce freight cost and provide customs clearance solutions for our customers from Vietnam to Cambodia. Hence, providing one-stop solution model within the enlarged A-Sonic Group.



(iii) Transforming into a More Formidable Regional Mid-Tier Logistics Group, with Global Reach

Post merger, the A-Sonic Group's own network offices will span across four (4) continents (Asia, North America, Europe and Sub-Continent India), 16 countries, and 34 cities.



Total staff strength will increase to approximately 780 staffs.

(iv) Market Rating: Capabilities – Edging Closer to be a Regional Logistics Group with Global Presence

Excluding global multi-national companies, we are of the view that there is no other comparable multi-modal logistics as the enlarged A-Sonic Group in Singapore and ASEAN.

Post-merger the enlarged A-Sonic Group will be unique – one of its kind-multi-modal logistics with diversified earnings stream focused in ASEAN and The People's Republic of China, and with the market reach to North America, Europe, and Sub-Continent India.

The market ranking and rating of the enlarged A-Sonic Group is expected to be in a league that edges between regional and global logistics group.

(v) Accelerate Growth and Market Expansion

The Proposed Transaction provides an opportunity to expand the A-Sonic Logistics' scale, customer base, geographic footprint, and service offerings. It may also create access to new markets and revenue streams that would take longer to develop organically.

(vi) Strategic Alignment

The JGL Group's business is complementary to the A-Sonic Logistics' existing operations and aligns with the A-Sonic Group's strategic objectives of strengthening its logistics platform and enhancing competitiveness within the supply chain ecosystem.

(vii) Complementary Capabilities and Services

The Proposed Transaction will broaden the A-Sonic Logistics' suite of logistics solutions by combining complementary capabilities, such as warehousing, transportation, multi-modal logistics, and e-commerce fulfilment, enabling A-Sonic Logistics to offer more integrated end-to-end solutions.

(viii) Leverage Each Party's Strengths

The Proposed Transaction creates the opportunity to leverage the strengths, expertise, networks, operational capabilities, and management experience of A-Sonic Logistics and the JGL Group. This may enhance service quality, improve operational efficiency, and strengthen customer relationships.

(ix) Realisation of Synergies

A-Sonic Logistics plans to harness potential synergies from:

(i) cross-selling opportunities to each other's customer bases;

(ii) optimisation of distribution and logistics networks;

(iii) operational efficiencies and economies of scale;

(iv) procurement savings; and

(v) better utilisation of assets and infrastructure.

(x) Enhance Shareholder Value

The Proposed Transaction is expected to strengthen earnings potential and support sustainable long-term value creation for shareholders of the Company.

6. FUNDING

6.1 A-Sonic Logistics plans to fund the Proposed Transaction elaborated at paragraph 4.1 by deploying its internal funding, and/or utilizing external borrowings. In addition, the Company may consider corporate funding raising exercise(s).

7. FINANCIAL EFFECTS OF THE PROPOSED TRANSACTION

7.1 The financial effects of the Proposed Transaction set out below are **SOLELY FOR ILLUSTRATIVE PURPOSES ONLY AND DO NOT REFLECT THE ACTUAL FUTURE FINANCIAL POSITION OF THE COMPANY AND ITS SUBSIDIARIES (THE "A-SONIC GROUP") AFTER THE COMPLETION**, and based on the following.

(i) The financial effects of the Proposed Transaction were calculated based on the audited consolidated financial statements of the A-Sonic Group for the financial year ended 31 December 2025 ("**FY2025**") being the most recently completed financial year for which financial statements are publicly available as at the date of this announcement, and assuming that the Proposed Transaction had been effected on 1 January 2025; and

(ii) The proforma combined financial information of the JGL Group for FY 2025 included accounts of certain subsidiaries and associated companies in the formation of the restructured JGL Group. Certain proforma adjustments as described in 7.2 (thereafter collectively referred to as "**Adjustments**") were also included to illustrate the financial performance of the restructured JGL Group for the purposes of computing proforma EPS of the enlarged A-Sonic Group, assuming the restructured JGL Group had been in existence since 1 January 2025.

7.2 **Earnings Per Share**

The effect of the Proposed Transaction on the Earnings Per Share ("**EPS**") of the enlarged A-Sonic Group for FY2025, assuming that the Proposed Transaction had been effected on 1 January 2025 was as follows:

FY2025	A-Sonic Group before the Proposed Transaction	Enlarged A-Sonic Group after the Proposed Transaction	Change %
Turnover **(US$'000)**	228,955	292,686	+ 27.8%
EBITDA **(US$'000)**	6,524	9,366	+ 43.6%
Profit before tax **(US$'000)**	4,204	6,609	+ 57.2%
Net profit attributable to the equity holders of the Company **(US$'000)**	3,039	4,133	+ 36.0%
Weighted average number of issued shares **('000)**	105,581	105,581	N.A.
EPS **(US Cents)**	2.88	3.91	+ 35.8%
EPS **(Singapore Cents)**	3.76	5.11	+ 35.9%

The following Adjustments have been included to illustrate the financial effects of the Proposed Transaction assuming the enlarged A-Sonic Group had been in existence since 1 January 2025:

(i) *An aggregate allowance of S$0.111 million (US$0.085 million) for expected credit loss was included in the proforma combined financial information to be in line with A-Sonic Group's accounting policy;*

(ii) *A sum of S$0.081 million (US$0.062 million) resulting from the pre-operating expenses of the Isotank Depot business was excluded, as it would not recur after it commenced business in the fourth (4^{th}) quarter of 2026;*

(iii) *An aggregate of S$0.424 million (US$0.325 million) were incurred as a result of corporate restructuring exercise which is not expected to recur after the Completion of this Proposed Transaction.*

In addition to the foregoing Adjustments, the cash consideration of S$4.188 million (US$3.260 million) related to the Isotank Depot business was excluded for the computation of P/E multiple (as elaborated at paragraph 4.2(iv)(b) at page 3). The P/E multiple of the Proposed Transaction, taking into account of the Adjustments and the exclusion of the consideration for the Isotank Depot business, would have been 7.73 times.

7.3 **Net Assets**

The effect of the Proposed Transaction on the Net Assets ("**NA**") per share of the enlarged A-Sonic Group for FY2025, assuming that the Proposed Transaction had been effected as at 31 December 2025 is as follows:

As at 31 December 2025	A-Sonic Group before the Proposed Transaction	Enlarged A-Sonic Group after the Proposed Transaction
NA attributable to equity holders of the Company **(US$'000)**	50,586	50,586
Number of issued shares **('000)**	104,056	104,056
NA per share **(US Cents)**	48.61	48.61
NA per share **(Singapore Cents)**	62.45	62.45

Based on the proforma combined net asset value of the restructured JGL Group as at 31 December 2025, the Total Cash Consideration over the net asset value of the JGL Group as at 31 December 2025 was 2.16 times.

8. RELATIVE FIGURES COMPUTED BASED ON RULE 1006

8.1 **Major Transactions**

Rule 1006 of the Listing Manual of the SGX-ST (the "**SGX Listing Rules**") provides that for an acquisition, where any of the relative figures as computed on the bases set out in Rule 1006 of the SGX Listing Manual exceeds 20%, the transaction is classified as a major transaction and requires the approval of the shareholders of the Company.

8.2 **Relative Figures**

Based on the latest announced audited consolidated financial statements of the Group FY2025, the relative figures of the Proposed Transaction as computed on the relevant bases set out in Rule 1006 of SGX Listing Rules are as follows:

Rule	Basis	Relative Figures
1006 (a)	The net asset value of the assets to be disposed of, compared with the group's net asset value. This basis is not applicable to an acquisition of assets.	Not Applicable
1006 (b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profits.	34.32%[(1)]

1006 (c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares.	32.34%(2)
1006 (d)	The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not Applicable
1006 (e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the Group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil or gas company, but not to an acquisition of such assets.	Not Applicable

Notes:

(1) The JGL Group generated proforma combined net profits of approximately US$1.443 million in FY2025.

(2) *Based on the Total Cash Consideration of S$15.216 million and the Company's market capitalization of approximately S$47.052 million (being the issued ordinary share capital of the Company ("**Shares**") of 100,110,021 Shares (excluding treasury shares and subsidiary holdings), the volume weighted average price of the Shares of S$0.47 on 31 July 2026, which is the last full market day on which the Shares were traded prior to the date of this announcement.*

8.3 **Shareholders' Approval Required**

As the relative figures computed on the basis set out in Rule 1006(b) and (c) of the SGX Listing Rules exceeds 20%, the Proposed Transaction constitutes a "major transaction" within the meaning of Chapter 10 of the SGX Listing Rules, and therefore is subject to the approval of the shareholders at an EGM.

9. SERVICE CONTRACT

No person will be appointed to the Board, and no service contract will be entered into by the Company, in connection with the Proposed Transaction.

10. INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors or substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Proposed Transaction, other than through their respective shareholdings in the Company.

11. DIRECTORS' RECOMMENDATION

In view of the rationale elaborated at paragraph 5 above, the board of directors are supportive of the Proposed Transaction, and intends to recommend that shareholders vote in favour of the resolutions relating to the Proposed Transaction at the EGM to be convened.

12. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Transaction, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

13. CIRCULAR AND EGM

The circular, Notice of Extraordinary General Meeting, and the accompanying Proxy Form will be made available on the SGXNET, and the Company's website at https://www.asonic-aerospace.com/investor-relations/.

In the meantime, shareholders are advised to refrain from taking any action in relation to their shares in the Company which may be prejudicial to their interests until they or their advisers have considered the information and recommendations to be set out in the Circular.

14. DOCUMENT FOR INSPECTION

A copy of the JVA is available for inspection at the registered office of the Company at 9 Airline Road, #05-23 Building D, Singapore 819827 during normal business hours for a period of three months from the date of this announcement.

15. FURTHER ANNOUNCEMENTS

The Company will make further announcements to keep shareholders informed, as and when there are material updates and developments in respect of the Proposed Transaction.

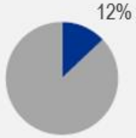
BY ORDER OF THE BOARD

Chow Si Ying
Joint Company Secretary

3 August 2026

Annex 1

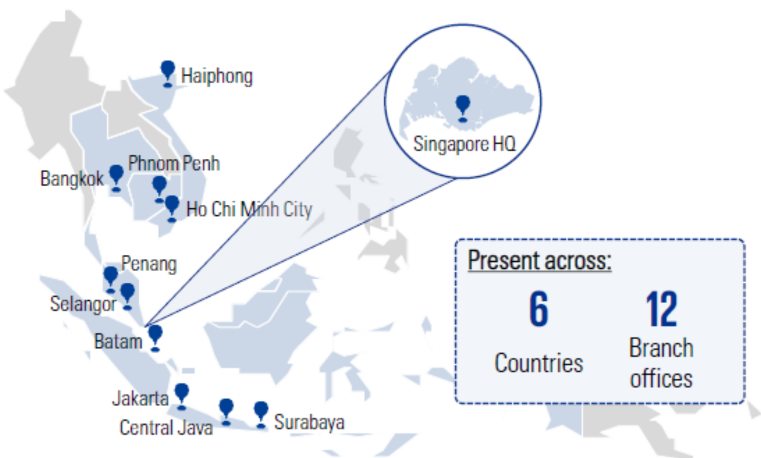
Wide Range of Logistics Services Covering Freight Forwarding, Paper Trading and Depot Services

SEGMENT	OCEAN FREIGHT FORWARDING	AIR FREIGHT FORWARDING	LAND FREIGHT FORWARDING / WAREHOUSING	PAPER TRADING	UPCOMING: DEPOT SERVICES
					
OVERVIEW	Organises ocean shipments for customers, manages customs clearance and cargo space booking for both imports and exports	Organises air shipments for customers, manages customs and cargo space booking for both air imports and exports	Provides cross-border and inter-state transportation, with short-term storage solutions as a value-added service	Taps on ocean freight forwarding expertise to engage in trading of paper and forestry products across different countries	Provides specialised depot services, including ISO tank cleaning and maintenance, with operations commencing in Q3 2026
SOLUTIONS	▪ FCL and LCL imports / exports ▪ Customs clearance ▪ Buyers consolidation ▪ Break bulk	▪ Global air freight management ▪ Door to door service ▪ Customs clearance and customs brokerage ▪ Dangerous goods	▪ Inter-state and cross-border transportation ▪ Short-term warehousing solutions	▪ Back-to-back contractual arrangement in buying / selling paper products	▪ ISO-tank cleaning, repair and maintenance ▪ Storage services
FY25E REVENUE BREAKDOWN	 77%	6% 	5% 	12% 	

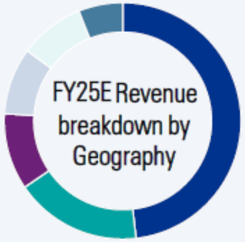
Annex 2

Regional SEA Network With Local Execution Capabilities

REGIONAL FOOTPRINT ACROSS



BREAKDOWN OF REVENUE ACROSS GEOGRAPHIES



48%	Singapore[1]	9%	Cambodia
17%	Vietnam	9%	Thailand
11%	Indonesia	6%	Malaysia

Revenue is geographically diversified, with 48% from Singapore and 52% from branch offices across SEA

- The Group operates 12 branch offices across six SEA countries, each staffed with highly experienced teams. These offices facilitate compliance with local regulations and offer end-to-end support for clients managing shipments.
- Across these six operating markets, the Group has tailored its service offerings to suit the unique dynamics of each market. The below table summarises the range of capabilities:

KEY OPERATING MARKETS	OCEAN FREIGHT FORWARDING	AIR FREIGHT FORWARDING	LAND FREIGHT FORWARDING / WAREHOUSING	PAPER TRADING SERVICES
SINGAPORE	✓	✓	✓	✓
VIETNAM	✓	✓		
THAILAND	✓	✓	✓	
CAMBODIA	✓		✓	
INDONESIA	✓	✓	✓	
MALAYSIA	✓	✓		

Annex 3

Experienced Management Team With Logistics Expertise

DESMOND GAY - CHAIRMAN

Experience

- Graduated from the Roosevelt University, Chicago, Illinois, U.S., with a Masters in Business Administration, specialising in Finance, on a full Roosevelt Merit Scholarship.
- Desmond was formerly the CEO of Keppel Logistics, and DTW logistics group (a former JV partner of FedEx China) and Senior Vice President of DHL Exel Supply Chain.
- Has over 30 years of experience across freight forwarding, logistics and supply chain management.

DANIEL LIM - CEO

Experience

- Graduated from the University of Strathclyde (Scotland) with a Masters in Business Administration, specialising in management and operations.
- Daniel was a co-founder of JGL Worldwide, and has been instrumental in transforming the organisation into a leading SEA logistics provider.
- Has over 35 years of sales, marketing and management experience in freight forwarding, logistics and supply chain management.

DAVID HIA - COO

Experience

- Graduated from the University of Strathclyde (Scotland) with a Masters in Business Administration, specialising in management and operations.
- David currently serves as the Chairman of the Vietnam branch of World International Freight Forwarder Alliance ("WIFFA"), and previously held senior management roles at Global Container Freight.
- Has over 35 years of experience across freight forwarding, logistics, and supply chain management.