

A-SONIC AEROSPACE LIMITED

PART I - INFORMATION REQUIRED FOR QUARTERLY AND FULL YEAR RESULTS ANNOUNCEMENTS

FOURTH QUARTER AND FULL YEAR FINANCIAL STATEMENTS

1(a) An income statement and statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED INCOME STATEMENT

For the fourth quarter and full financial year ended 31 December 2013

	Group			Group		
	4 th quarter ended		Change %	Full year ended		Change %
	31 Dec 13	31 Dec 12		31 Dec 13	31 Dec 12	
	US\$'000	US\$'000		US\$'000	US\$'000	
Continuing operations						
		Restated		Restated		
Turnover	61,852	76,817	(19.5)	272,323	276,558	(1.5)
Other revenue	3,308	571	N/M	7,120	1,127	N/M
Total revenue	65,160	77,388	(15.8)	279,443	277,685	0.6
Expenses						
Changes in inventories	(43)	80	N/M	(20)	(54)	(63.0)
Purchases of goods and consumables used	(871)	(740)	17.7	(8,078)	(1,735)	365.6
Freight charges	(54,318)	(69,820)	(22.2)	(237,363)	(250,411)	(5.2)
Staff costs	(5,217)	(5,488)	(4.9)	(20,771)	(19,435)	6.9
Depreciation of property, plant and equipment	(276)	(306)	(9.8)	(872)	(878)	(0.7)
Impairment of goodwill	-	(58)	(100.0)	-	(58)	(100.0)
Finance costs	(63)	(38)	65.8	(211)	(206)	2.4
Share of results of associates	176	174	1.1	449	640	(29.8)
Share of results of joint venture	(242)	-	N/M	(109)	-	N/M
Other operating expenses	(4,571)	(4,307)	6.1	(11,613)	(8,654)	34.2
Total costs and expenses	(65,425)	(80,503)	(18.7)	(278,588)	(280,791)	(0.8)
Profit/(Loss) before tax from continuing operations	(265)	(3,115)	N/M	855	(3,106)	(127.5)
Taxation	(295)	537	N/M	(511)	368	N/M
Net profit/(loss) from continue operations	(560)	(2,578)	N/M	344	(2,738)	N/M
Discontinued operation						
Profit/(Loss) from discontinued operation, net of tax	-	(264)	N/M	164	(337)	N/M
Profit/(Loss) for the year	(560)	(2,842)	N/M	508	(3,075)	N/M
Profit/(Loss) Attributable to Equity holders of the Company						
Profit/ (loss) from continuing operations, net of tax	212	(1,670)	N/M	2,366	(2,512)	N/M
Profit/ (loss) from discontinued operation, net of tax	-	(285)	N/M	159	(349)	N/M
Profit/ (loss) for the period/year Attributable to the Equity holders of the Company	212	(1,955)	N/M	2,525	(2,861)	N/M
Non-controlling interests:						
Loss from continuing operations, net of tax	(772)	(908)		(2,022)	(226)	
Profit from discontinued operation, net of tax	-	21		5	12	
Loss for the period/year attributable to non-controlling interest	(772)	(887)		(2,017)	(214)	
Other items :						
Commission income	21	-	N/M	21	-	N/M
Interest income	51	71	(28.2)	213	261	(18.4)
Finance lease interest	394	-	N/M	1,020	-	N/M
Gain/ (loss) on disposal of property, plant and equipment	-	1	(100.0)	(30)	1	N/M
Gain on disposal of a subsidiary	2,566	-	N/M	5,132	-	N/M
Allowance for doubtful trade receivables written back	80	90	(11.1)	86	90	(4.4)
Allowance for doubtful non-trade receivables written back-third parties	-	6	(100.0)	-	11	N/M
Allowance for doubtful trade receivables	(513)	(581)	(11.7)	(550)	(602)	(8.6)
Allowance for doubtful non-trade receivables	(91)	-	N/M	(91)	-	N/M
Bad trade receivables written off	(19)	(25)	N/M	(32)	(25)	28.0
Exchange (loss)/gain	(1,931)	12	N/M	(2,540)	2,427	N/M
Rental expenses	(526)	(727)	(27.6)	(2,227)	(2,555)	(12.8)
Property, plant and equipment written off	-	(1)	(100.0)	(1)	(16)	(93.8)
(Reversal)/ Impairment of property, plant and equipment	-	(1,227)	(100.0)	596	(1,227)	N/M
Provision for restructuring	-	(232)	(100.0)	-	(232)	(100.0)

N/M: Not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the fourth quarter and full financial year ended 31 December 2013

	Group			Group		
	4 th quarter ended		Change	Full year ended		Change
	31 Dec 13	31 Dec 12		31 Dec 13	31 Dec 12	
	US\$'000	US\$'000	%	US\$'000	US\$'000	%
Net (loss)/ profit for the period/year	(560)	(2,842)	N/M	508	(3,075)	N/M
Other comprehensive income /(loss):						
Currency translation differences arising on consolidation	1,413	131	N/M	1,894	(2,756)	N/M
Total comprehensive income/(loss) for the period/year	853	(2,711)	N/M	2,402	(5,831)	N/M
Total comprehensive income /(loss) attributable to:						
Equity holders of the Company	1,558	(1,893)		4,345	(5,618)	
Non-controlling interests	(705)	(818)		(1,943)	(213)	
	853	(2,711)		2,402	(5,831)	

N/M : not meaningful

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

Balance Sheets
31 December 2013

	Group		Company	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
	US\$'000	US\$'000	US\$'000	US\$'000
Non-current assets				
Property, plant and equipment	13,176	11,137	-	-
Investment in subsidiaries	-	-	#	#
Investment in associates	754	734	-	-
Investment in joint ventures	2,587	7	-	-
Deferred tax assets	132	349	-	-
Finance lease receivables	3,699	-	-	-
	20,348	12,227	-	-
Current assets				
Inventories	543	564	-	-
Trade and other receivables	43,626	54,013	5	10
Finance lease receivables	1,114	-	-	-
Due from subsidiaries	-	-	59,815	57,930
Due from associates	1,297	637	-	-
Due from joint venture	2,439	-	-	-
Tax recoverable	88	120	-	-
Cash and cash equivalents	20,718	22,716	5,427	4,675
	69,825	78,050	65,247	62,615
Total assets	90,173	90,277	65,247	62,615
Non-current liabilities				
Deferred tax liabilities	-	92	-	-
	-	92	-	-
Current liabilities				
Trade and other payables	37,919	43,065	237	235
Due to subsidiaries	-	-	1,447	1,146
Bank term loans	12,407	8,321	2,540	-
Provision for restructuring costs	603	639	-	-
Tax payable	219	191	-	-
	51,148	52,216	4,224	1,381
Total liabilities	51,148	52,308	4,224	1,381
Net assets	39,025	37,969	61,023	61,234
Equity				
Share capital	51,775	51,775	51,775	51,775
Accumulated (losses) / profits	(3,863)	(5,682)	9,201	9,412
Share option reserve	47	47	47	47
Foreign currency translation reserve	(8,150)	(9,432)	-	-
Attributable to:				
Equity attributable to equity holders of the Company, total	39,809	36,708	61,023	61,234
Non-controlling interests	(784)	1,261	-	-
Total equity	39,025	37,969	61,023	61,234

#: represents amount less than US\$1,000

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

At 31 December 2013		At 31 December 2012	
Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
12,407	-	8,321	-

Amount repayable after one year

At 31 December 2013		At 31 December 2012	
Secured US\$'000	Unsecured US\$'000	Secured US\$'000	Unsecured US\$'000
-	-	-	-

Details of any collateral

The Group's borrowings are secured by corporate guarantee given by the Company and a first deed of debentures incorporating a floating charge over the receivables of the logistics business and collateral on the leasehold properties of the Group.

- 1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENTS OF CASH FLOWS
For the fourth quarter and full financial year ended 31 December 2013

	4th quarter ended		Full year ended	
	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities				
(Loss)/ profit before tax from continuing operations	(265)	(3,115)	855	(3,106)
(Loss)/profit before tax from discontinued operation	-	(280)	188	(270)
Adjustments for:	(265)	(3,395)	1,043	(3,376)
Interest income	(51)	(71)	(213)	(261)
Allowance for doubtful non-trade receivables	91	-	91	-
Allowance for doubtful non-trade receivables written back	-	(25)	-	(30)
Depreciation of property, plant and equipment	276	311	875	899
Disposal of fixed asset under finance lease	-	-	4,051	-
Finance lease interest income	(394)	-	(1,020)	-
Impairment of property, plant and equipment	-	1,227	(596)	1,227
Bad non-trade receivables written-off	-	4	8	4
Interest expenses	63	50	211	224
Gain on disposal of property, plant and equipment	-	(1)	30	(1)
Property, plant and equipment written off	-	1	1	17
Gain on disposal of subsidiary ^(A)	(2,566)	-	(5,132)	-
Impairment of goodwill	-	58	-	58
Provision for restructuring costs	-	232	-	232
Share of results of associates	(176)	(142)	(455)	(582)
Share of results of joint ventures	242	-	109	-
Effect of foreign exchange rate changes	1,652	1,678	1,628	(2,154)
Operating cash flows before changes in working capital	(1,128)	(73)	631	(3,743)
Inventories	43	28	20	54
Receivables	483	(4,570)	1,465	(7,714)
Payables	(1,125)	5,284	1,256	8,012
Finance lease receivables	-	-	(7,252)	-
Cash (used in)/ from operations	(1,727)	669	(3,880)	(3,391)
Income tax (paid)/refund	(13)	380	(350)	276
Net cash (used in)/ from operating activities	(1,740)	1,049	(4,230)	(3,115)
Cash flows from investing activities				
Proceeds from disposal of property, plant and equipment	(130)	16	78	88
Net cash flow from disposal of a subsidiary ^(A)	-	-	1,074	-
Proceeds from disposal of partial interest in subsidiary	-	-	244	-
Interest received	51	71	213	261
Purchase of shares in associated companies	-	(89)	(79)	(79)
Purchase of shares in joint venture	-	-	-	(7)
Purchase of property, plant and equipment	(2,278)	(1,698)	(6,538)	(3,297)
Dividend received from associate	-	511	520	511
Finance lease payments received	1,045	-	3,458	-
Effect of foreign exchange rate changes	82	(234)	(41)	(6)
Net cash used in investing activities	(1,230)	(1,423)	(1,071)	(2,529)
Cash flows from financing activities				
Proceeds from bank term loans	4,091	-	6,805	1,195
Dividend paid by subsidiaries to non-controlling interests	-	-	-	(57)
Repayment of bank term loans	-	-	(2,677)	(1,387)
Dividend paid by the Company	-	-	(959)	-
Refund of unclaimed dividend of the Company	1	-	1	-
Interest paid	(63)	(49)	(211)	(224)
Effect of foreign exchange rate changes	19	408	(41)	352
Net cash from / (used in) financing activities	4,048	359	2,918	(121)
Net increase/ (decrease) in cash and cash equivalents	1,078	(15)	(2,383)	(5,765)
Cash and cash equivalents at beginning of period/year	19,540	24,333	22,716	29,237
Effect of foreign exchange rate changes	100	(1,602)	385	(756)
Cash and cash equivalents at end of period/year	20,718	22,716	20,718	22,716
Cash and cash equivalents are represented by:				
Bank and cash balances	17,462	14,236	17,462	14,236
Fixed deposits	3,256	8,480	3,256	8,480
	20,718	22,716	20,718	22,716

CONSOLIDATED STATEMENTS OF CASH FLOWS (cont'd)
For the fourth quarter and full financial year ended 31 December 2013

Note ^(A):

Gain on disposal of subsidiary and

Net cash flow from disposal of a subsidiary

	US\$000
Cash and cash equivalent	(1,603)
Property plant and equipment	(27)
Investment in associated companies	(10)
Trade and other receivables	(5,314)
Total assets	<u>(6,954)</u>
Trade and other payables	6,016
Tax payables	35
Total liabilities	<u>6,051</u>
Net assets of subsidiary derecognised	903
Less: Non-controlling interests	110
Net assets disposed	<u>793</u>
Reclassification of currency translation reserve	571
	<u>222</u>
Gain on disposal of a subsidiary	<u>5,132</u>
Proceed from disposal	5,354
Less: Non-cash proceed (i.e. fair value of residual interest in former subsidiary)	<u>2,677</u>
Proceed from disposal in cash	2,677
Less: cash and cash equivalent	<u>1,603</u>
Net cash flow from disposal of a subsidiary	<u><u>1,074</u></u>

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity, or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

**Consolidated Statement of Changes in Equity
For the fourth quarter and full financial year ended 31 December 2013**

THE GROUP	Share capital US\$'000	Accumulated losses US\$'000	Share option reserve US\$'000	Foreign currency translation reserve US\$'000	Equity attributable to equity holders of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
At 1 January 2013	51,775	(5,682)	47	(9,432)	36,708	1,261	37,969
Profit/(loss) for the period	-	1,680	-	-	1,680	(354)	1,326
<i>Other comprehensive (loss)/income</i>							
Currency translation difference on consolidation	-	-	-	430	430	(4)	426
Total comprehensive income/(loss) for the period	-	1,680	-	430	2,110	(358)	1,752
Disposal of interests in subsidiaries without change in control	-	126	-	15	141	(20)	121
Disposal of a subsidiary	-	-	-	-	-	(109)	(109)
Reclassification on disposal of a subsidiary ^{(1) (2)}	-	-	-	(571)	(571)	-	(571)
At 31 March 2013	51,775	(3,876)	47	(9,558)	38,388	774	39,162
Loss for the period	-	(151)	-	-	(151)	(399)	(550)
<i>Other comprehensive income</i>							
Currency translation difference on consolidation	-	-	-	45	45	53	98
Total comprehensive (loss)/income for the period	-	(151)	-	45	(106)	(346)	(452)
At 30 June 2013	51,775	(4,027)	47	(9,513)	38,282	428	38,710
(Loss)/profit for the period	-	784	-	-	784	(492)	292
<i>Other comprehensive (loss)/income</i>							
Currency translation difference on consolidation	-	-	-	(1)	(1)	(42)	(43)
Total comprehensive income/(loss) for the period	-	784	-	(1)	783	(534)	249
Disposal of interests in subsidiaries without change in control	-	126	-	18	144	27	171
Dividend paid by the Company	-	(959)	-	-	(959)	-	(959)
Refund of unclaimed dividend of the Company	-	1	-	-	1	-	1
At 30 September 2013	51,775	(4,075)	47	(9,496)	38,251	(79)	38,172
Profit/ (Loss) for the period	-	212	-	-	212	(772)	(560)
<i>Other comprehensive (loss)/income</i>							
Currency translation difference on consolidation	-	-	-	1,346	1,346	67	1,413
Total comprehensive income/(loss) for the period	-	212	-	1,346	1,558	(705)	853
At 31 December 2013	51,775	(3,863)	47	(8,150)	39,809	(784)	39,025

⁽¹⁾ See footnote (A) on page 6

⁽²⁾ Fifty per cent of US\$0.571 million was recorded in "Investment in joint ventures" in the balance sheet whilst the balance was recorded in comprehensive income as part of the "Gain on disposal of a subsidiary".

Consolidated Statement of Changes in Equity (cont'd)
For the fourth quarter and full financial year ended 31 December 2012

THE GROUP	Share capital US\$'000	Accumulated profits/ (losses) US\$'000	Share option reserve US\$'000	Foreign currency translation reserve US\$'000	Equity attributable to equity holders of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
At 1 January 2012	51,775	(2,821)	47	(6,675)	42,326	1,531	43,857
Profit/(loss) for the period	-	557	-	-	557	(3)	554
<i>Other comprehensive (loss)/income</i>							
Currency translation difference on consolidation	-	-	-	(1,295)	(1,295)	78	(1,217)
Total comprehensive income/(loss) for the period	-	557	-	(1,295)	(738)	75	(663)
At 31 March 2012	51,775	(2,264)	47	(7,970)	41,588	1,606	43,194
(Loss)/profit for the period	-	(1,342)	-	-	(1,342)	89	(1,253)
<i>Other comprehensive (loss)/income</i>							
Currency translation difference on consolidation	-	-	-	463	463	(76)	387
Total comprehensive income/(loss) for the period	-	(1,342)	-	463	(879)	13	(866)
At 30 June 2012	51,775	(3,606)	47	(7,507)	40,709	1,619	42,328
(Loss)/profit for the period	-	(121)	-	-	(121)	587	466
<i>Other comprehensive (loss)/income</i>							
Currency translation difference on consolidation	-	-	-	(1,987)	(1,987)	(70)	(2,057)
Total comprehensive income/(loss) for the period	-	(121)	-	(1,987)	(2,108)	517	(1,591)
At 30 September 2012	51,775	(3,727)	47	(9,494)	38,601	2,136	40,737
(Loss)/profit for the period	-	(1,955)	-	-	(1,955)	(887)	(2,842)
Other comprehensive (loss)/income							
Currency translation difference on consolidation	-	-	-	62	62	69	131
Total comprehensive (loss)/income for the period	-	(1,955)	-	62	(1,893)	(818)	(2,711)
Dividend paid to non-controlling interest	-	-	-	-	-	(57)	(57)
At 31 December 2012	51,775	(5,682)	47	(9,432)	36,708	1,261	37,969

Statement of Changes in Equity
For the fourth quarter and full financial year ended 31 December 2013

THE COMPANY

	Share capital US\$'000	Accumulated profits US\$'000	Share option reserve US\$'000	Total equity US\$'000
At 1 January 2013	51,775	9,412	47	61,234
Profit and total comprehensive income for the period	-	139	-	139
At 31 March 2013	51,775	9,551	47	61,373
Profit and total comprehensive income for the period	-	127	-	127
At 30 June 2013	51,775	9,678	47	61,500
Profit and total comprehensive income for the period	-	289	-	289
Dividend paid by the Company		(959)	-	(959)
Refund of unclaimed dividend of the Company		1		1
At 30 September 2013	51,775	9,009	47	60,831
Profit and total comprehensive income for the period	-	192	-	192

Statement of Changes in Equity
For the fourth quarter and full financial year ended 31 December 2012

THE COMPANY

	Share capital US\$'000	Accumulated profits US\$'000	Share option reserve US\$'000	Total equity US\$'000
At 1 January 2012	51,775	6,890	47	58,712
Profit and total comprehensive income for the period	-	433	-	433
At 31 March 2012	51,775	7,323	47	59,145
Profit and total comprehensive income for the period	-	145	-	145
At 30 June 2012	51,775	7,468	47	59,290
Profit and total comprehensive income for the period	-	454	-	454
At 30 September 2012	51,775	7,922	47	59,744
Profit and total comprehensive income for the period	-	1,490	-	1,490
At 31 December 2012	51,775	9,412	47	61,234

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

As at 30 September 2013 and 31 December 2013, there were 715,903,629 issued and fully paid up ordinary shares of the Company. There has been no change in the issued and fully paid up ordinary shares of the Company as at 31 December 2013.

As at 31 December 2013, the Company has the following outstanding share options:

<u>Security</u>	<u>Exercise Price</u>	<u>Balance at</u> <u>01.10.2013</u>	<u>Balance at</u> <u>31.12.2013</u>
Employee Share Option			
(a) Incentive Option ⁽¹⁾	S\$0.314	64,000	64,000
(b) Market Option ⁽²⁾	S\$0.349	61,000	61,000
		125,000	125,000

As at 31 December 2012, the Company has the following outstanding share options:

<u>Security</u>	<u>Exercise Price</u>	<u>Balance at</u> <u>01.10.2012</u>	<u>Balance at</u> <u>31.12.2012</u>
Employee Share Option			
(a) Incentive Option ⁽¹⁾	S\$0.314	64,000	64,000
(b) Market Option ⁽²⁾	S\$0.349	61,000	61,000
		125,000	125,000

⁽¹⁾ The Incentive Options were issued at a discount of 10% of the market price* prevailing at the date of the grant of the options.

⁽²⁾ The Market Options were issued at the market price* prevailing at the date of the grant of the options.

Sub-note:

* A price equal to the average of the last dealt price for the share of the Company on the Singapore Exchange Securities Trading Limited over the five (5) consecutive trading days immediately preceding the date of the grant.

1d(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares (excluding treasury shares) as at 31 December 2013 and 31 December 2012 were 715,903,629.

1d(iv) A statement showing all sales, transfer, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable as there were no treasury shares issued by the Company.

2. **Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The financial statements have not been audited or reviewed by the Company's auditors.

3. **Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as those of the audited financial statements for the year ended 31 December 2012.

5. **If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well the reasons for, and the effect of, the change.**

In the current period, the Group and the Company have adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and the Interpretations of FRS that are relevant to its operations and effective for the current period. The adoption of these new/revised FRSs has no material effect on the financial statements.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	Group		Group	
	4th quarter ended		Full year ended	
	31 Dec 13	31 Dec 12	31 Dec 13	31 Dec 12
Basic earnings per share				
Profit/(Loss) after tax attributable to equity holders of the Company (US\$'000)	212	(1,955)	2,525	(2,861)
Profit/(Loss) from discontinued operation, net of tax attributable to equity holders of the Company (US\$'000)	-	(285)	159	(349)
Profit/(Loss) after tax from continuing operations attributable to equity holders of the Company (US\$'000)	212	(1,670)	2,366	(2,512)
Number of ordinary shares in issue for basic earnings per share (in '000)	715,904	715,904	715,904	715,904
Basic earnings per share (US cents)	0.03	(0.27)	0.35	(0.40)
Basic earnings per share from continuing operations (US cents)	0.03	(0.23)	0.33	(0.35)

7. **Net asset value (for the issuer and group) per ordinary share based on total number of issued shares excluding treasury shares of the issuer at the end of the:-**

- (a) **current financial period reported on; and**
(b) **immediately preceding financial year.**

	Group		Company	
	31 Dec 2013	31 Dec 2012	31 Dec 2013	31 Dec 2012
Net asset value per share based on existing issued share capital at the end of period/year (US cents) ^{(1) (2)}	5.45	5.30	8.52	8.55

Notes:

⁽¹⁾ The above computation of net asset value per share includes non-controlling interests. Excluding non-controlling interests, the net asset value per share for the Group as at 31 December 2013 and 31 December 2012 would have been 5.56 US cents and 5.13 US cents per share respectively.

⁽²⁾ Computed based on 715,903,629 ordinary shares in issue.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets and liabilities of the group during the current financial period reported on.**

FINANCIAL PERFORMANCE IN 2013

A-Sonic Aerospace Limited and its subsidiaries (the "A-Sonic Group" or the "Group") are engaged in two areas of businesses, aerospace engineering-related business and logistics. Currently, we operate in 50 cities and in 17 countries, spanning across four (4) continents in Asia, Sub-Continent India, North America and Europe. We have a total staff strength of approximately 820 personnel as at 31 December 2013.

In 2012, we worked on five (5) pre-owned air frames and eight (8) aircraft engines. We retrofitted and refurbished the aircraft, airframe and aircraft engines, for sale or lease worldwide. This was a watershed event for us in FY 2012 – a pivotal transformation. We invested to build and add on new capability to engage in activities that are proprietary to us.

As a result in FY 2013, our aircraft leasing activities included the following:

- (i) Acquire pre-owned airframes. This requires our licensed aircraft engineers to inspect the pre-owned airframes and the documentations before we acquire the airframes. We acquire such airframes globally, particularly in the Americas and Europe;
- (ii) Acquire aircraft engines globally, and especially in the Americas and in Europe;
- (iii) Acquire aircraft parts, components and systems globally;
- (iv) Assemble all of the above item into an aircraft, retrofit and/or upgrade the aircraft interior and systems, at our preferred maintenance repair organization ("MRO") in the Americas or Europe. In a retrofit and/or upgrade program, our aircraft engineering team provides the retrofit and work specifications to the MRO. Our on-site licensed aircraft engineers will monitor the retrofit and/or upgrade programmes and give specific instructions to the MRO during the course of the works at the MRO, until the acceptance and delivery of the aircraft to our customers or lessees; and
- (v) While we are preparing all the items (i) to (iv) above, we will simultaneously seek potential buyers or lessees globally for our aircraft and/or aircraft engines.

By end FY 2013, we leased out four (4) aircraft and four (4) aircraft engines.

Our two (2) airline customers include an airline customer in the Sub-Continent of India and in Euro-Asia.

Our current future plan is to focus on one (1) aircraft type of single aisle with a seating capacity of up to 172 passengers. We plan for the aircraft and aircraft engine leasing to be our mainstay for the aviation business.

As at the date of this announcement, we own four (4) aircraft on lease and four (4) aircraft engines on lease. In addition we, own five (5) airframes and six (6) aircraft engines.

In FY 2013, we restructured our logistics business with the aim to focus on our core capabilities, and to streamline our logistics business model.

In February 2013, we partially divested our air cargo management services ("GSA") business. We entered into strategic partnership with one of the world's largest air cargo GSA. In the longer term, we expect the strategic alliance will allow for more rapid expansion of this business unit.

In view of the partial divestment of our GSA business, our Group's results for FY 2012 have been restated to exclude our GSA business as a subsidiary. Instead, we have reflected it as "discontinued operation" in the consolidated income statement as a result of the partial divestment of the GSA business unit. This is in accordance with the Singapore Financial Reporting Standard (FRS 105) – Discontinued Operations. The intended purpose is to enable you to evaluate the FY 2013 results on a comparable basis as that in FY 2012.

Income Statement

Revenue

FY 2013 v FY 2012

The A-Sonic Group registered "Total Revenue" of US\$279.443 million for the financial year ended 31 December 2013 ("FY 2013"). "Total Revenue" increased US\$1.758 million (0.6%) to US\$279.443 million in FY 2013, compared to US\$277.685 million for the financial year ended 31 December 2012 ("FY 2012").

Our "Total Revenue" comprised two components "Turnover" and "Other Revenue".

We registered a "Turnover" of US\$272.323 million in FY 2013, a decrease of US\$4.235 million (1.5%), compared to US\$276.558 million in FY 2012. Aerospace engineering-related business contributed 4.4% (US\$11.864 million) of the Group's "Turnover". The remaining 95.6% (US\$260.459 million) was generated from logistics business.

"Turnover" from the aerospace engineering-related business increased almost four times (US\$9.451 million to US\$11.864 million in FY 2013, compared to US\$2.413 million in FY 2012. The increase in turnover was largely due to our aircraft and aircraft engines leasing business.

"Turnover" from the logistics business decreased US\$13.686 million (5.0%) to US\$260.459 million in FY 2013, from US\$274.145 million in FY 2012. The lower "Turnover" in FY 2013 was largely due lower business volume from the logistics business in the North Asia markets.

"Other revenue" increased US\$5.993 million to US\$7.120 million in FY 2013, compared to US\$1.127 million in FY 2012. "The US\$5.993 million increase was largely attributable to:

- (i) the realized gain of US\$5.132 million resulting from the partial divestment of the GSA business unit, which did not exist in FY 2012; and
- (ii) the aircraft and aircraft engines lease interest income of US\$1.020 million generated in FY 2013, but none in FY 2012.

4th Qtr 2013 v 4th Qtr 2012

"Total Revenue" for the three months ended 31 December 2013 ("4Q 2013") decreased US\$12.228 million (15.8%) to US\$65.160 million, compared to US\$77.388 million for the three months ended 31 December 2012 (4Q 2012).

In 4Q 2013, "Turnover" decreased US\$14.965 million (19.5%) to US\$61.852 million, compared to US\$76.187 million in 4Q 2012. The aerospace engineering-related business constituting aerospace components, aircraft systems, and aircraft leasing, contributed to 2.3% (US\$1.395 million) of our "Turnover". The remaining 97.7% (US\$60.457 million) of "Turnover" was generated from the logistics business.

"Turnover" from the aerospace engineering-related business increased US\$0.544 million (63.9%) in 4Q 2013 to US\$1.395 million, compared to US\$0.851 million in 4Q 2012, largely due to the aircraft leases in 4Q 2013, whilst there was nil in 4Q 2012.

"Turnover" from the logistics business decreased US\$15.509 million (20.4%) to US\$60.457 million in 4Q 2013, compared to US\$75.966 million in 4Q 2012. Lower "Turnover" was mainly owing to lower business volume from the logistics business in the North Asia and Australasia markets.

"Other revenue" increased US\$2.737 million to US\$3.308 million in 4Q 2013, compared to US\$0.571 million in 4Q 2012, mainly due to the adjustment on fair value of the remainder of the investment retained in GSA business unit.

4th Qtr 2013 v 3rd Qtr 2013

In 4Q 2013, we recorded a "Total Revenue" of US\$65.160 million, compared to US\$70.552 million in 3Q 2013. "Total Revenue" in 4Q 2013 was US\$5.392 million lower than our 3Q 2013.

"Turnover" decreased US\$8.268 million (11.8%) to US\$61.852 million in 4Q 2013, compared to US\$70.120 million in 3Q 2013. The aerospace engineering-related business "Turnover" decreased US\$2.802 million (66.8%) to US\$1.395 million in 4Q 2013, compared to US\$4.197 million in 3Q 2013, largely due to additional aircraft leases on finance lease in 3Q 2013 whilst there was none in 4Q 2013.

Logistics' "Turnover" decreased US\$5.466 million (8.3%) to US\$60.457 million in 4Q 2013, compared to US\$65.923 million in 3Q 2013. The lower "Turnover" in 4Q 2013 compared to 3Q 2013 was largely due to the lower business volume from our logistics business in North Asia and Americas.

"Other revenue" increased US\$2.876 million to US\$3.308 million in 4Q 2013, compared to US\$0.432 million in 3Q 2013, due to the adjustment on fair value of the remainder of the investment retained in GSA business unit.

Costs and expenses

FY 2013 v FY 2012

"Total costs and expenses" decreased US\$2.203 million (0.8%) from US\$280.791 million in FY 2012 to US\$278.588 million in FY 2013.

In FY 2013, the two main costs that constituted 92.7% (US\$258.134 million) of our "Total Costs and Expenses" were:

- (i) "Freight charges" of US\$237.363 million related to our logistics business. More specifically, these include payments to airline and ocean carriers, on-land transportation service providers, customs clearance fees, and direct handling charges to complete our door-to-door logistic services. We incurred "Freight charges" of US\$237.363 million in FY 2013, compared to US\$250.411 million in FY 2012. The US\$13.048 million (5.2%) lower in "Freight charges" in FY 2013 was largely in line with the decrease of US\$13.686 million (5.0%) in the logistics' "Turnover" to US\$260.459 million in FY 2013, compared to US\$274.145 million in FY 2012. Our "Freight charges" constituted 85.2% and 89.2% of our Group's "Total costs and expenses" in FY 2013 and FY 2012, respectively; and
- (ii) "Staff costs" amounted to US\$20.771 million in FY 2013, compared to US\$19.435 million in FY 2012. This cost component constituted 7.5% and 6.9% of the Group's "Total cost and expenses" in FY 2013 and FY 2012, respectively.

The decrease of US\$13.048 million in "Freight charges" was partially off-set by:-

- (i) US\$6.309 million increase in the aggregated "Changes in inventories" and "Purchases of goods and consumables used" from US\$1.789 million in FY 2012 to US\$8.098 million in FY 2013. The increase was largely due to the aircraft and aircraft engines leasing business in FY 2013; and
- (ii) US\$2.959 million increase in "Other operating expenses" from US\$8.654 million in FY 2012 to US\$11.613 million in FY 2013. The increase in "Other operating expenses" was largely due to a "Foreign exchange loss" of US\$2.540 million recorded in FY 2013, in contrast to "Foreign exchange gain" of US\$2.427 million in FY 2012. This was however partially off-set by the reversal of impairment of property, plant and equipment of US\$0.596 million in FY 2013, in contrast to an impairment of property, plant and equipment of US\$1.227 million in FY 2012.

4th Qtr 2013 v 4th Qtr 2012

"Total costs and expenses" decreased US\$15.078 million (18.7%) to US\$65.425 million in 4Q 2013, compared to US\$80.503 million in 4Q 2012, largely owing to US\$15.502 million decrease in "Freight charges" in 4Q 2013 to US\$54.318 million, compared to US\$69.820 million in 4Q 2012. The lower "Freight charges" of US\$15.502 million was in line with the US\$15.509 million lower in the logistics' "Turnover" in 4Q 2013.

4th Qtr 2013 v 3rd Qtr 2013

"Total costs and expenses" decreased US\$4.818 million from US\$70.243 million in 3Q 2013 to US\$65.425 million in 4Q 2013. The lower "Total costs and expenses" in 4Q 2013 was largely attributable to:

- (i) US\$5.779 million decrease in "Freight charges" to US\$54.318 million in 4Q 2013, compared to US\$60.097 million in 3Q 2013. The decrease in "Freight charges" was in line with the lower "Turnover" (US\$5.466 million) in our logistics business; and
- (ii) US\$1.589 million lower in aggregated "Changes in inventories" and "Purchases of goods and consumables used" to US\$0.914 million in 4Q 2013, compared to US\$2.503 million in 3Q 2013, largely due to additional aircraft on finance lease in 3Q 2013 whilst there was none in 4Q 2013.

The decreases in "Freight charges" and the aggregated "Changes in inventories" and "Purchases of goods and consumables used" were however partially off-set by US\$2.034 million increase in "Other operating expenses". "Other operating expenses" increased US\$2.034 million to US\$4.571 million in 4Q 2013, compared to US\$2.537 million in 3Q 2013, mainly due to:

- (i) US\$1.555 million higher in "Foreign exchange loss" from US\$0.376 million in 3Q 2013 to US\$1.931 million in 4Q 2013; and

- (ii) US\$0.476 million higher in "Allowance for doubtful trade receivables" to US\$0.513 million in 4Q 2013, compared to US\$0.037 million in 3Q 2013.

Gross profits

FY 2013 v FY 2012

"Gross profit" increased US\$2.504 million (10.3%) to US\$26.862 million in FY 2013, compared to US\$24.358 million in FY 2012. "Gross profit" was calculated as "Turnover" less "Changes in inventories", "Purchases of goods and consumables used" and "Freight charges". Of the US\$26.862 million "Gross profit", aerospace engineering-related business generated US\$3.344 million (12.4%) of gross profit in FY 2013, whilst the balance US\$23.518 million (87.6%) was generated from the logistics business. The gross profit of the aerospace engineering-related business grew four times (US\$2.720 million) in FY 2013, largely owing to the aircraft and aircraft engines leases in FY 2013. Logistics business' gross profit decreased US\$0.216 million (0.9%) from US\$23.734 million in FY 2012, compared to US\$23.518 million in FY 2013.

4th Qtr 2013 v 4th Qtr 2012

We recorded "Gross profit" of US\$6.620 million in 4Q 2013, an increase of US\$0.283 million (4.5%) from US\$6.337 million gross profit in 4Q 2012. Of the US\$6.620 million gross profit, aerospace engineering-related business generated US\$0.439 million (6.6%) gross profit, whilst logistics business contributed US\$6.181 million gross profit.

4th Qtr 2013 v 3rd Qtr 2013

We posted gross profit of US\$6.620 million in 4Q 2013, a decrease of US\$0.900 million (12.0%), compared to the US\$7.520 million gross profit in 3Q 2013. Aerospace engineering-related business recorded a decrease of gross profit of US\$1.196 million to US\$0.439 million in 4Q 2013, compared to US\$1.635 million in 3Q 2013, largely due to additional aircraft leases on finance lease in 3Q 2013 whilst there was none in 4Q 2013. Logistics business recorded an increase of gross profit of US\$0.296 million (5.0%) to US\$6.181 million in 4Q 2013, compared to US\$5.885 million in 3Q 2013.

Net profit

FY 2013 v FY 2012

We registered profit before tax of US\$0.855 million in FY 2013, compared to loss before tax of US\$3.106 million in FY 2012, largely owing to the realized gain of US\$5.132 million resulting from the partial divestment of the air cargo management business unit in FY 2013, which did not exist in FY 2012.

Owing to tax expense of US\$0.511 million in FY 2013, the Group registered a net profit of US\$0.508 million. Out of the US\$0.508 million net profit, the air cargo management services (i.e. the partially divested GSA business unit) generated US\$0.164 million net profit.

Excluding "Non-controlling interests", the net profit attributable to "Equity holders of the Company" was US\$2.525 million in FY 2013, compared to a net loss attributable to "Equity holders of the Company" of US\$2.861 million in FY 2012.

4th Qtr 2013 v 4th Qtr 2012

We registered "loss before tax from continuing operations" of US\$0.265 million in 4Q 2013, compared to US\$3.115 million in 4Q 2012. The lower loss in 4Q 2013 was largely due to the adjustment on fair value of the remainder of the investment retained in GSA business unit..

After tax expense of US\$0.295 million, the Group registered net loss of US\$0.560 million in 4Q 2013, compared to US\$2.842 million in 4Q 2012.

Excluding "Non-controlling interests", the net profit attributable to "Equity holders of the Company" was US\$0.212 million in 4Q 2013, compared to a net loss attributable to "Equity holders of the Company" of US\$1.955 million in 4Q 2012.

4th Qtr 2013 v 3rd Qtr 2013

The Group registered "loss before tax" of US\$0.265 million in 4Q 2013, compared to a "profit before tax" of US\$0.309 million in 3Q 2013. The "loss before tax" in 4Q 2013 was largely attributable to US\$0.476 million higher in "Allowance for doubtful trade receivables" to US\$0.513 million in 4Q 2013, compared to US\$0.037 million in 3Q 2013.

Owing to tax expense of US\$0.295 million, we incurred net loss of US\$0.560 million. We recorded net profit attributable to equity holders of the Company (excluding non-controlling interests) of US\$0.212 million in 4Q 2013, compared to US\$0.784 million in 3Q 2013.

Balance Sheet

Non-current assets

The Group's "Non-current assets" increased US\$8.121 million to US\$20.348 million as at 31 December 2013 ("FY 2013"), compared to US\$12.227 million as at 31 December 2012 ("FY 2012"). The US\$8.121 million increase in "Non-current assets" was mainly due to:-

- (i) US\$3.699 million of "Finance lease receivables" recognized as at 31 December 2013 for the aircraft and aircraft engines leases;
- (ii) US\$2.580 million increase in "Investment in joint ventures" as a result of the partial divestment in the air cargo management business unit and the adjustment on fair value of the remainder of the investment retained in GSA business unit in accordance with FRS 27; and
- (iii) US\$2.039 million increase in "Property, plant and equipment", largely arising from the acquisition of aircraft and aircraft engines in the aerospace engineering-related business.

Current assets

"Current assets" decreased US\$8.225 million to US\$69.825 million as at 31 December 2013, compared to US\$78.050 million as at the end of FY 2012. The decrease was largely owing to:

- (i) US\$9.747 million lower in "Trade and other receivables" to US\$43.626 million as at 31 December 2013, compared to US\$53.373 million as at the end of FY 2012. The US\$9.747 million decrease in "Trade and other receivables" as at 31 December 2013 was largely owing to the partial divestment of the air cargo management business unit. Hence, the assets and liabilities were no longer consolidated in the Group's balance sheet with effect from 1 March 2013; and
- (ii) US\$1.998 million lower in "Cash and cash equivalents" (comprised of cash and bank balances and fixed deposits) to US\$20.718 million as at 31 December 2013, compared to US\$22.716 million as at the end of FY 2012. The US\$1.998 million decrease in "Cash and cash equivalents" was largely due to US\$6.538 million in purchase of property, plant and equipment in FY 2013. These include largely acquisition of airframes and aircraft engines and refurbishment works on existing aircraft. The US\$6.538 million in purchase of property, plant and equipment was however partially off-set with a net proceed from bank term loans of US\$4.128 million.

The above decreases were partially off-set by increases of US\$1.114 million in "Finance lease receivables", and US\$2.439 million in "Due from joint ventures", respectively.

Non-current liabilities

"Non-current liabilities" decreased from US\$0.092 million as at the end of FY 2012 to nil as at 31 December 2013.

Current liabilities

"Current liabilities" decreased US\$1.068 million to US\$51.148 million as at 31 December 2013, compared to US\$52.216 million as at the end of FY 2012. The decrease in "Current liabilities" was largely due to the reduction of US\$5.146 million in "Trade and other payables" to US\$37.919 million as at 31 December 2013, compared to US\$43.065 million as at the end of FY 2012. The US\$5.146 million reduction in "Trade and other payables" was largely due to the partial divestment of air cargo management business unit. The decrease in "Trade and other payables" was however partially off-set by a US\$4.086 million increase in bank term loans to US\$12.407 million as at 31 December 2013, compared to US\$8.321 million as at the end of FY 2012.

Net assets

The Group's gearing based on bank borrowings to net asset value (excluding non-controlling interests) stood at 31.2% as at 31 December 2013, compared to 22.7% as at the end of FY 2012.

Our Group's net asset value (excluding non-controlling interests) stood at US\$39.809 million as at 31 December 2013, or an equivalent of US cents 5.56 per share, compared to US\$36.708 million as at the end of FY 2012 or an equivalent of US cents 5.13 per share. Net asset value (excluding non-controlling interests) increased US\$3.101 million, largely owing to the net profit attributable to "Equity holders of the Company" of US\$2.525 million recorded in FY 2013.

Equity

The Group's "Accumulated losses" decreased US\$1.819 million to US\$3.863 million as at 31 December 2013, compared to US\$5.682 million as at the end of FY 2012, largely attributable to the net profit attributable to "Equity holders of the Company" of US\$2.525 million recorded in FY 2013. The net profit was partially offset by a US\$0.958 million in dividend paid to the shareholders of the Company in September 2013.

Our "Share option reserve" remained unchanged at US\$0.047 million as at 31 December 2013.

The Group's negative "Foreign currency translation reserve" reduced US\$1.282 million to a negative reserve of US\$8.150 million as at 31 December 2013, compared to a negative reserve of US\$9.432 million as at the end of FY 2012. The US\$1.282 million decrease in negative "Foreign currency translation reserve" was largely due to a realized foreign currency translation reserve pertaining to the dissolution of a foreign dormant subsidiary in 4Q 2013 of US\$1.688 million, which was recognized in the income statement.

Cash Flow

FY 2013 vs FY 2012

"Operating cash flow before movements in working capital" generated in FY 2013 was US\$0.631 million, compared to that used of US\$3.743 million in FY 2012. "Operating cash flow before movements in working capital" generated in FY 2013 was largely owing to:

- (i) Profit before tax of US\$1.043 million in FY 2013, compared to loss before tax of US\$3.376 million in FY 2012; and
- (ii) US\$4.051 million in "Disposal of property, plant and equipment under finance leases" in FY 2013, whilst there was none in FY 2012.

The above were however partially off-set by: (a) US\$1.020 million of "Finance lease interest income"; and (b) US\$5.132 million in "Gain on disposal of a subsidiary", both of which did not exist in FY 2012.

In FY 2013, movements in working capital items recorded were as follows: (i) cash generated from "Inventories", "Receivables" and "Payables" of US\$0.020 million, US\$1.465 million and US\$1.256 million, respectively; and (ii) cash used in "Finance lease receivables" of US\$7.252 million.

After income tax paid of US\$0.350 million in FY 2013, we recorded net cash used in operating activities of US\$4.230 million, compared to US\$3.115 million in FY 2012.

"Net cash used in investing activities" amounted to US\$1.071 million in FY 2013, compared to US\$2.529 million in FY 2012. The decrease in cash used was largely due to US\$3.458 million in "Finance lease payments received" and US\$1.074 million of "Net cash flow from disposal of a subsidiary" in FY 2013 whilst there was none in FY 2012. The cash from "Finance lease receivables" and "Net cash flow from disposal of a subsidiary" were however partially off-set by a US\$6.538 million used in "Purchase of property, plant and equipment" in FY 2013; US\$3.241 million higher compared to US\$3.297 million used in FY 2012.

"Net cash generated from financing activities" amounted to US\$2.918 million in FY 2013, compared to that used of US\$0.121 million in FY 2012, largely owing to US\$4.128 million of net proceeds from bank term loans. This was however partially off-set by a US\$0.959 million of dividend paid in FY 2013.

4th Qtr 2013 vs 4th Qtr 2012

"Operating cash flow before movements in working capital" used in 4Q 2013 was US\$1.128 million, compared to US\$0.073 million in 4Q 2012. The increase in cash used in "Operating cash flow before movements in working capital" was largely due to: (a) US\$2.566 million in "Gain on disposal of a subsidiary" in 4Q 2013, but did not exist in 4Q 2012; and (b) the absence of US\$1.277 million in "Impairment of property, plant and equipment" in FY 2013, which was recorded in 4Q 2012.

In 4Q 2013, movements in working capital items recorded were as follows: (i) cash generated from "Inventories" and "Receivables" of US\$0.043 million and US\$0.483 million, respectively ; and (ii) cash used in "Payables" of US\$1.125 million.

After income tax paid of US\$0.013 million in 4Q 2013, we recorded net cash used in operating activities of US\$1.740 million, compared to that generated of US\$1.049 million in 4Q 2012.

"Net cash used in investing activities" amounted to US\$1.230 million in 4Q 2013, compared to US\$1.423 million in 4Q 2012, largely due to US\$1.045 million in "Finance lease payments received" in 4Q 2013. This was however partially off-set by: (a) US\$0.580 million higher in cash used in "Purchase of property, plant and equipment" in 4Q 2013, and (b) the absence of "Dividend received from associate" of US\$0.511 million in 4Q 2013, which was recorded in 4Q 2012.

"Net cash generated from financing activities" amounted to US\$4.048 million in 4Q 2013, compared to US\$0.359 million in 4Q 2012. The increase in net cash from financing activities was largely attributable to US\$4.091 million in "Proceeds from bank term loans" in 4Q 2013, whilst there were none in 4Q 2012.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

Not applicable.

10. **A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may effect the group in the next reporting period and the next 12 months.**

The performance of the aviation business depends largely on the occurrence of delivering aircraft and aircraft engines to our lessees. Meanwhile, the performance of the logistics business is highly correlated to the global economy.

We remain cautious in FY 2014 as the global growth continues to face headwinds, and we will continue to pursue the following enterprise initiatives:

- (i) To work with our selected service providers to jointly drive significant improvements in quality, flow and efficiency in the supply chain;
- (ii) A determined effort to attempt to reduce the spiralling costs, without compromising our service levels to our customers; and
- (iii) A strategic plan aimed at more and more stations to operate efficiently, effectively and productively.

11. **Dividend**

- (a) **Whether an interim (final) ordinary dividend has been declared (recommended) in the current financial period reported on:**

Except for the dividend declared in the first quarter ended 31 March 2013 (as announced on 15 May 2013), no dividend has been declared or recommended for the fourth quarter ended 31 December 2013.

- (b) i) **Amount per share (in cents)**
Except as disclosed above, none.
- ii) **Previous corresponding period (in cents)**
None.

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated).**

Not applicable for fourth quarter ended 31 December 2013, except for the announcement made on 15 May 2013.

- (d) **The date the dividend is payable.**

Not applicable for fourth quarter ended 31 December 2013. However, it was announced on 15 May 2013 that interim dividend was declared in the first quarter ended 31 March 2013. The interim dividend has been paid on 17 September 2013.

- (e) **The date on which Registrable Transfers received by the Company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.**

Not applicable for the fourth quarter ended 31 December 2013. However it was announced on 15 May 2013 and 16 May 2013 that a book closure date was made on 3 September 2013 in respect of the interim dividend declared in the first quarter ended 31 March 2013.

12. If no dividend has been declared/recommended, a statement to that effect.

Except for the interim dividend declared in the first quarter ended 31 March 2013 (as announced on 15 May 2013), no dividend has been declared or recommended for the fourth quarter ended 31 December 2013.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

As at the date of this Announcement, the Group has not obtained a general mandate from shareholders for IPTs.

14. Negative confirmation pursuant to Rule 705(5).

Not required for announcement on full year results.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. **Segmental revenue and results for the business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Business Segments – Group

	Aerospace engineering -related		Logistic services		Air cargo management services (Discontinued operation) ⁽¹⁾		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Turnover from reportable segments	11,864	2,414	277,200	295,202	5,728	31,739	294,792	329,355
Interest income	398	505	159	122	-	1	557	628
Finance lease interests	1,020	-	-	-	-	-	1,020	-
Finance costs	26	29	1,603	1,710	-	17	1,629	1,756
Depreciation of property, plant and equipment	205	159	667	719	3	21	875	899
Reportable segment profit/(loss)	2,579	(449)	(1,724)	(1,654)	188	(1,273)	1,043	(3,376)
Other material non-cash items:								
Allowance for doubtful trade receivables	39	-	511	602	-	-	550	602
Allowance for doubtful trade receivables written back	-	-	(86)	(90)	-	-	(86)	(90)
Allowance for doubtful non-trade receivables	-	-	91	-	-	-	91	-
Allowance for doubtful non-trade receivables written back	-	-	-	-	-	(19)	-	(19)
- associate	-	-	-	(11)	-	-	-	(11)
- third parties	-	-	-	58	-	-	-	58
Impairment of goodwill (Reversal)/ Impairment of property, plant and equipment	(600)	1,200	4	27	-	-	(596)	1,227
Provision for restructuring costs	-	-	-	232	-	-	-	232
Segment assets	106,698	101,546	208,144	188,412	-	14,937	314,842	304,895
Expenditure in non-current assets								
- Property, plant and equipment	5,438	2,632	1,100	658	-	7	6,538	3,297
- Investment in associate (unallocated)	-	-	-	-	-	-	79	79
- Investment in joint venture (unallocated)	-	-	-	-	-	-	-	1
Segment liabilities	48,285	44,740	193,568	178,088	-	13,883	241,853	236,711

Note:

⁽¹⁾ Resulting from the partial divestment of the GSA business. As a result, the GSA business unit is reflected as a "Discontinued operation" in accordance with FRS 105.

Business Segments – Group (cont'd)

Reconciliation of reportable segment turnover, profit/(loss) before tax, assets, liabilities, and other material items

	FY 2013 US\$'000	FY 2012 US\$'000
i) Turnover		
Total turnover for reportable segments	294,792	329,355
Elimination of intrasegments turnover	(16,292)	(20,988)
Elimination of intersegments turnover	(459)	(70)
Eliminations on consolidation	(5,718)	(31,739)
Total group's turnover	<u>272,323</u>	<u>276,558</u>
2) Depreciation on property, plant and equipment		
Total assets for reportable segments	875	899
Eliminations on consolidation	(3)	(21)
	<u>872</u>	<u>878</u>
3) Profit/(Loss) before tax		
Total profit/(loss) before tax for reportable segments	1,043	(3,376)
Eliminations on consolidation	(188)	270
Total group's loss before tax	<u>855</u>	<u>(3,106)</u>
4) Assets		
Total assets for reportable segments	314,842	304,895
Eliminations on consolidation	(224,669)	(214,618)
Total group's assets	<u>90,173</u>	<u>90,277</u>
5) Liabilities		
Total liabilities for reportable segments	241,853	236,711
Eliminations on consolidation	(190,705)	(184,403)
Total group's liabilities	<u>51,148</u>	<u>52,308</u>
6) Other material items		
i) Interest income (including finance lease interest)		
Total for reportable segments	1,577	628
Consolidation eliminations	(344)	(367)
	<u>1,233</u>	<u>261</u>
ii) Finance costs		
Total for reportable segments	1,629	1,756
Consolidation eliminations	(1,840)	(1,962)
	<u>(211)</u>	<u>(206)</u>
iii) Allowance for doubtful non-trade receivables written back - associates		
Total for reportable segments	-	(19)
Consolidation eliminations	-	19
	<u>-</u>	<u>-</u>

Geographical Segments - Group

	Turnover for reportable segments		Non-current assets for reportable segments	
	FY 2013 US\$'000	FY 2012 US\$'000	FY 2013 US\$'000	FY 2012 US\$'000
Asia	212,132	254,694	18,015	9,470
Others	82,660	74,661	2,201	2,408
Total	<u>294,792</u>	<u>329,355</u>	<u>20,216</u>	<u>11,878</u>

16. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

In terms of business segmentation, aerospace engineering-related business contributed to approximately 4.0% of our group's turnover, whilst logistics business contributed to the balance 96.0% of the total reportable segment turnover.

17. **A breakdown of sales as follows:-**

	Full year ended 31 Dec 2013 US\$'000	Full year ended 31 Dec 2012 US\$'000 Restated	% change
<u>Continuing operations:</u>			
a) Sales reported for the first half year	145,758	142,415	2.3%
b) Operating profit/(loss) after tax before deducting non-controlling interest for first half year	776	(699)	N/M
c) Sales reported for the second half year	126,565	134,143	-5.6%
d) Operating loss after tax before deducting non-controlling interest for second half year	(432)	(2,039)	-78.8%

N/M : not meaningful

18. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

	Latest full year FY 2013 US\$	Previous full year FY 2012 US\$
Ordinary (interim)	958,676	-

19. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Janet Tan	53	Sibling of Jenny Tan, who is a Director of the Company.	Chairman and Chief Executive Officer since 2003. Her responsibilities include setting the overall long-term business direction, developing business strategies, and implementing growth strategies for A-Sonic Aerospace and its subsidiaries.	No changes in duties.
Jenny Tan	47	Sibling of Janet Tan, who is the Chairman, Chief Executive Officer and substantial shareholder of the Company.	Executive Director of the Company since 2003. Her responsibilities include overall operational, administrative management, information technology systems and human resources of the aerospace engineering-related business.	No changes in duties.

BY ORDER OF THE BOARD

Oh Seok Boon
Joint Company Secretary

28 February 2014