A-SONIC AEROSPACE LIMITED

PART I - INFORMATION REQUIRED FOR QUARTERLY RESULTS ANNOUNCEMENTS

FULL YEAR FINANCIAL STATEMENTS

1(a) An income statement (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 2009

	Group			Group		
	4th quarter ended			Full year ended		
	31 Dec 09	31 Dec 08	Change	**31 Dec 09**	31 Dec 08	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Turnover	**58,945**	63,845	(7.7)	**155,244**	254,000	(38.9)
Other revenue	**353**	1,588	(77.8)	**1,317**	1,715	(23.2)
Total revenue	**59,298**	65,433	(9.4)	**156,561**	255,715	(38.8)
Cost and expenses						
Changes in inventories	**1,119**	267	N/M	**(747)**	(464)	61.0
Purchases of goods and consumables used	**(1,906)**	1,208	N/M	**(1,568)**	(1,820)	(13.8)
Cost of services sold	**(50,713)**	(57,966)	(12.5)	**(133,846)**	(230,567)	(41.9)
Staff costs	**(3,407)**	(3,794)	(10.2)	**(13,477)**	(14,281)	(5.6)
Depreciation of property, plant and equipment	**(194)**	(214)	(9.3)	**(641)**	(794)	(19.3)
Finance costs	**(91)**	(136)	(33.1)	**(345)**	(501)	(31.1)
Impairment of goodwill on acquisition	**-**	(12,542)	(100.0)	**-**	(12,542)	(100.0)
Share of results of associates	**400**	65	N/M	**508**	126	N/M
Other operating expenses	**(3,697)**	(4,539)	(18.6)	**(9,044)**	(9,881)	(8.5)
Total costs and expenses	**(58,489)**	(77,651)	(24.7)	**(159,160)**	(270,724)	(41.2)
Profit/(Loss) before tax	**809**	(12,218)	N/M	**(2,599)**	(15,009)	(82.7)
Tax expense	**809**	(264)	N/M	**442**	(858)	N/M
Net profit/(loss) for the period/year	**1,618**	(12,482)	N/M	**(2,157)**	(15,867)	(86.4)
Profit/(Loss) attributable to:						
Equity shareholders of the Company	**1,520**	(12,413)		**(1,715)**	(15,402)	
Minority interests	**98**	(69)		**(442)**	(465)	
	1,618	(12,482)		**(2,157)**	(15,867)	
Other items :						
Commission income	**88**	52	69.2	**726**	321	N/M
Interest income	**19**	130	(85.4)	**122**	184	(33.7)
Gain on sale of of property, plant and equipment	**13**	109	(88.1)	**11**	143	(92.3)
Gain on termination of maintenance contract	**-**	396	(100.0)	**-**	396	(100.0)
Foreign currency exchange (loss)/gain	**(615)**	(161)	N/M	**(791)**	(251)	N/M
Property, plant and equipment written off	**(29)**	(170)	(82.9)	**(27)**	(198)	(86.4)
Allowance for doubtful trade receivables written back	**157**	90	74.4	**193**	94	N/M
Allowance for doubtful non-trade receivables-third parties	**(280)**	(214)	30.8	**(279)**	(405)	(31.1)
Allowance for doubtful trade receivables	**(1,508)**	(1,985)	(24.0)	**(967)**	(2,018)	(52.1)
Allowance for inventory obsolescence	**-**	(56)	(100.0)	**-**	(56)	(100.0)
Inventory written off	**(360)**	-	100.0	**(360)**	-	100.0
Bad trade receivables recovered	**548**	7	N/M	**3**	-	100.0
Bad trade receivables written off	-	-	-	**(48)**	-	100.0
Rental expenses	**(404)**	(419)	(3.6)	**(1,635)**	(1,585)	3.2
Provision for restructuring costs	**-**	-	-	**(309)**	(193)	60.1
Provision for restructuring costs written back	**-**	1,044	(100.0)	**-**	504	(100.0)

N/M: Not meaningful

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the fourth quarter and full financial year ended 31 December 2009

	Group			Group		
	4th quarter ended			Full year ended		
	31 Dec 09	31 Dec 08	Change	**31 Dec 09**	31 Dec 08	Change
	US$'000	US$'000	%	**US$'000**	US$'000	%
Net profit/(loss) for the period	**1,618**	(12,482)	N/M	**(2,157)**	(15,867)	(86.4)
Other comprehensive income/(loss):						
Foreign currency translation differences	**405**	302	34.1	**690**	459	50.3
Other comprehensive income for the period/year, net of tax	**405**	302		**690**	459	
Total comprehensive income/(loss) for the period/year	**2,023**	(12,180)	N/M	**(1,467)**	(15,408)	(90.5)
Total comprehensive profit/(loss) attributable to:						
Equity shareholders of the Company	**1,812**	(12,148)	N/M	**(1,153)**	(14,972)	(92.3)
Minority interests	**211**	(32)	N/M	**(314)**	(436)	(28.0)
	2,023	(12,180)	N/M	**(1,467)**	(15,408)	(90.5)

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
At 31 December 2009

	Group		Company	
	31 Dec 2009	31 Dec 2008	**31 Dec 2009**	31 Dec 2008
	US$'000	US$'000	**US$'000**	US$'000
Non-current assets				
Property, plant and equipment	**5,362**	5,421	**-**	-
Investment in subsidiaries	**-**	-	**8,051**	7,870
Investment in associates	**579**	418	**-**	-
Deferred tax assets	**284**	3	**-**	-
	6,225	5,842	**8,051**	7,870
Current assets				
Inventories	**1,962**	2,709	**-**	-
Trade and other receivables	**42,824**	32,134	**4**	92
Due from subsidiaries	**-**	-	**38,119**	28,007
Due from associates	**910**	518	**-**	-
Tax recoverable	**162**	248	**-**	-
Cash and cash equivalents	**20,360**	26,644	**4,792**	13,548
	66,218	62,253	**42,915**	41,647
Total assets	**72,443**	68,095	**50,966**	49,517
Non-current liabilities				
Finance lease liabilities	**-**	16	**-**	-
Deferred tax liabilities	**61**	14	**-**	-
	61	30	**-**	-
Current liabilities				
Trade and other payables	**29,963**	21,443	**202**	181
Bank term loans	**9,221**	10,462	**1,979**	696
Provision for restructuring costs	**798**	467	**-**	-
Finance lease liabilities	**-**	4	**-**	-
Tax payable	**688**	1,681	**91**	51
	40,670	34,057	**2,272**	928
Total liabilities	**40,731**	34,087	**2,272**	928
Net assets	**31,712**	34,008	**48,694**	48,589
Equity				
Share capital	**40,384**	40,384	**40,384**	40,384
Accumulated (losses) / profits	**(12,280)**	(9,736)	**1,835**	2,799
Share option reserve	**40**	40	**40**	40
Foreign currency translation reserve	**2,732**	2,170	**6,435**	5,366
Attributable to:				
Equity holders of the Company	**30,876**	32,858	**48,694**	48,589
Minority interests	**836**	1,150	**-**	-
Total equity	**31,712**	34,008	**48,694**	48,589

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 2009		At 31 December 2008	
Secured US$'000	**Unsecured US$'000**	Secured US$'000	Unsecured US$'000
7,242	**1,979**	9,766	696

Amount repayable after one year

At 31 December 2009		At 31 December 2008	
Secured US$'000	**Unsecured US$'000**	Secured US$'000	Unsecured US$'000
0	**0**	0	0

Details of any collateral

The Group's borrowings are secured by corporate guarantee given by the Company and a floating charge over the subsidiaries' receivables.

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 CASH FLOW STATEMENTS
For the fourth quarter and full financial year ended 31 December 2009

GROUP	Fourth quarter ended		Full year ended	
	31 Dec 09	31 Dec 08	**31 Dec 09**	31 Dec 08
	US$'000	US$'000	**US$'000**	US$'000
Cash flows from operating activities				
Profit/(Loss) before tax	**809**	(12,218)	**(2,599)**	(15,009)
Adjustments for:				
Interest income	**(19)**	(130)	**(122)**	(184)
Allowance for doubtful non-trade receivables	**-**	214	**279**	405
Depreciation of property, plant and equipment	**196**	207	**665**	830
Bad non-trade receivables written off	**-**	-	**-**	7
Interest expenses	**91**	136	**345**	501
Impairment of goodwill on acquisition	**-**	12,542	**-**	12,542
Gain on sale of property, plant and equipment	**(13)**	(109)	**(11)**	(143)
Property, plant and equipment written off	**29**	170	**27**	198
Provision for restructuring costs	**-**	-	**309**	193
Provision for restructuring costs written back	**-**	(1,044)	**-**	(504)
Share of results of associates	**(400)**	(65)	**(508)**	(126)
Effect of foreign exchange rate changes	**97**	313	**8**	351
Operating cash flows before movements in working capital	**790**	16	**(1,607)**	(939)
Inventories	**286**	(268)	**747**	464
Receivables	**(12,254)**	34,620	**(10,904)**	32,008
Payables	**8,711**	(20,830)	**8,195**	(17,395)
Cash (used in)/from operations	**(2,467)**	13,538	**(3,569)**	14,138
Income tax refund/(paid)	**612**	(64)	**(689)**	(485)
Net cash (used in)/from operating activities	**(1,855)**	13,474	**(4,258)**	13,653
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	**13**	160	**-**	228
Interest received	**19**	56	**122**	100
Purchase of shares in associates	**-**	(46)	**-**	(85)
Purchase of property, plant and equipment	**(190)**	(583)	**(622)**	(3,237)
Dividend received from associates	**333**	528	**333**	811
Effect of foreign exchange rate changes	**(5)**	162	**45**	96
Net cash from/(used in) investing activities	**170**	277	**(122)**	(2,087)
Cash flows from financing activities				
Proceeds from short term bank loans	**4,873**	1,161	**7,390**	4,290
Dividend paid by the Company	**-**	-	**(829)**	(1,266)
Dividend paid by subsidiaries to minority shareholders	**-**	-	**-**	(6)
Repayment of finance lease liabilities	**-**	(1)	**(4)**	(19)
Repayment of bank term loans	**(7,405)**	-	**(8,734)**	(9,487)
Repayment of receivable on disposal of subsidiary	**2**	(57)	**246**	(59)
Interest paid	**(398)**	(133)	**(396)**	(551)
Effect of foreign exchange rate changes	**(205)**	28	**(137)**	67
Net cash (used in)/from financing activities	**(3,133)**	998	**(2,464)**	(7,031)
Net (decrease)/increase in cash and cash equivalents	**(4,818)**	14,749	**(6,844)**	4,535
Cash and cash equivalents at beginning of period/year	**24,970**	11,927	**26,644**	22,047
Effect of foreign exchange rate changes	**208**	(32)	**560**	62
Cash and cash equivalents at end of period/year	**20,360**	26,644	**20,360**	26,644
Cash and cash equivalents are represented by:				
Bank and cash balances	**20,360**	13,605	**20,360**	13,605
Fixed deposits		13,039	**-**	13,039
	20,360	26,644	**20,360**	26,644

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 2009

THE GROUP	Share capital US$'000	Accumulated losses US$'000	Share option reserve US$'000	Foreign currency translation reserve US$'000	Equtiy attributable to equity holders of the Company US$'000	Minority interests US$'000	Total equity US$'000
At 1 January 2009	40,384	(9,736)	40	2,170	32,858	1,150	34,008
Total comprehensive income (loss) for the period	-	413	-	(1,601)	(1,188)	(50)	(1,238)
At 31 March 2009	40,384	(9,323)	40	569	31,670	1,100	32,770
Total comprehensive (loss)/ income for the period	-	(2,809)	-	1,286	(1,523)	(405)	(1,928)
Dividend paid	-	(829)	-	-	(829)	-	(829)
At 30 Jun 2009	40,384	(12,961)	40	1,855	29,318	695	30,013
Total comprehensive (loss)/ income for the period	-	(839)	-	585	(254)	(70)	(324)
At 30 September 2009	40,384	(13,800)	40	2,440	29,064	625	29,689
Total comprehensive income (loss) for the period	-	1,520	-	292	1,812	211	2,023
At 31 December 2009	**40,384**	**(12,280)**	**40**	**2,732**	**30,876**	**836**	**31,712**

Consolidated Statement of Changes in Equity
For the fourth quarter and full financial year ended 31 December 2008

THE GROUP	Share capital US$'000	Accumulated profits US$'000	Share option reserve US$'000	Foreign currency translation reserve US$'000	Equity attributable to equity holders of the Company US$'000	Minority interests US$'000	Total equity US$'000
At 1 January 2008	40,384	6,932	40	1,740	49,096	1,586	50,682
Total comprehensive (loss)/ income for the period	-	(1,066)	-	49	(1,017)	(99)	(1,116)
At 31 March 2008	40,384	5,866	40	1,789	48,079	1,487	49,566
Total comprehensive (loss)/ income for the period	-	(889)	-	51	(838)	(192)	(1,030)
Dividend paid	-	(1,266)	-	-	(1,266)	-	(1,266)
At 30 Jun 2008	40,384	3,711	40	1,840	45,975	1,295	47,270
Total comprehensive (loss)/ income for the period	0	(1,034)	-	65	(969)	(113)	(1,082)
At 30 September 2008	40,384	2,677	40	1,905	45,006	1,182	46,188
Total comprehensive (loss)/ income for the period	-	(12,413)	-	265	(12,148)	(32)	(12,180)
At 31 December 2008	40,384	(9,736)	40	2,170	32,858	1,150	34,008

Statement of Changes in Equity
For the fourth quarter and full financial year ended 31 December 2009

THE COMPANY	Share capital US$'000	Accumulated profits US$'000	Share option reserve US$'000	Foreign currency translation reserve US$'000	Total equity US$'000
At 1 January 2009	40,384	2,799	40	5,366	48,589
Total comprehensive income/ (loss) for the period	-	1,771	-	(2,727)	(956)
At 31 March 2009	40,384	4,570	40	2,639	47,633
Total comprehensive (loss)/income for the period	-	(1,222)	-	2,272	1,050
Dividend paid	-	(829)	-	-	(829)
At 30 Jun 2009	40,384	2,519	40	4,911	47,854
Total comprehensive (loss)/income for the period	-	(499)	-	1,105	606
At 30 September 2009	40,384	2,020	40	6,016	48,460
Total comprehensive (loss)/income for the period	-	(185)	-	419	234
At 31 December 2009	**40,384**	**1,835**	**40**	**6,435**	**48,694**

Statement of Changes in Equity
For the fourth quarter and full financial year ended 31 December 2008

THE COMPANY	Share capital US$'000	Accumulated profits US$'000	Share option reserve US$'000	Foreign currency translation reserve US$'000	Total equity US$'000
At 1 January 2008	40,384	2,259	40	5,057	47,740
Total comprehensive income for the period	-	41	-	2,192	2,233
At 31 March 2008	40,384	2,300	40	7,249	49,973
Total comprehensive income for the period	-	66	-	747	813
Dividend paid	-	(1,266)	-	-	(1,266)
At 30 Jun 2008	40,384	1,100	40	7,996	49,520
Total comprehensive income/(loss) for the period	-	47	-	(2,443)	(2,396)
At 30 September 2008	40,384	1,147	40	5,553	47,124
Total comprehensive income/(loss) for the period	-	1,652	-	(187)	1,465
At 31 December 2008	40,384	2,799	40	5,366	48,589

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 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 2009 and 31 December 2009, there were 492,259,308 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 30 September 2009.

As at 31 December 2009, the Company has the following outstanding share options:

Security	Exercise Price	Balance at 01.10.09	Balance at 31.12.09
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 2008, the Company has the following outstanding share options:

Security	Exercise Price	Balance at 01.10.08	Balance at 31.12.08
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

Notes:

(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.

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

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.

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 adopted the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 31 December 2008 except for the adoption of revised Financial Reporting Standards disclosed in paragraph 5 below.

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.

On 1 January 2009, the Group adopted the revised Singapore Financial Reporting Standards : (FRS) 1 – Presentation of financial statements; and FRS 108 – Operating Segments.

The revised FRS 1 requires an entity to present, in a statement of changes in equity, all owner changes in equity. All non-owner changes in equity (i.e. comprehensive income) are required to be presented in one statement of comprehensive income or in two statements (a separate income statement and a statement of comprehensive income). Components of comprehensive income are not permitted to be presented in the statement of changes in equity. The Group has chosen to adopt the latter alternative.

FRS 108 supersedes FRS 14 Segment Reporting and requires the Group to report the financial performance of its operating segments based on the information used internally by management for evaluating segment performance and deciding on allocation of resources. The Group has determined that the reportable operating segments are the same as the business segments previously identified under FRS 14.

Comparatives for 2008 have been restated to conform to the requirements of the revised standard.

There was no impact on prior period earnings as per ordinary share and net asset value per ordinary share on the adoption of the revised FRS 1 which is a presentation standard.

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	
	Fourth quarter ended		Full year ended	
	31 Dec 2009	31 Dec 2008	**31 Dec 2009**	31 Dec 2008
Net profit/(loss) after tax (US$'000)	**1,520**	(12,413)	**(1,715)**	(15,402)
Number of ordinary shares in issue (in '000)	**492,259**	492,259	**492,259**	492,259
Earnings/(Loss) per share (US cents) based on number of ordinary shares in issue (in '000)	**0.31**	(2.52)	**(0.35)**	(3.13)

None of the outstanding share options described in paragraph 1(d)(ii) was exercised.

Diluted earnings per share for 4Q 2009; 4Q 2008; full financial year ended 31 December 2009; and full financial year ended 31 December 2008 are not presented because the potential ordinary share to be converted from the exercise of the outstanding share options will have no material impact on the earnings per share.

7. Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	31 December 2009	31 December 2008	**31 December 2009**	31 December 2008
Net asset value per share based on existing issued share capital at the end of period/year (US cents) [(1) (2)]	**6.44**	6.91	**9.89**	9.87

Notes:

(1) The above computation of net asset value per share includes minority interests. Excluding minority interests, the net asset value per share for the Group as at 31 December 2009 and 31 December 2008 would have been 6.27 US cents and 6.67 US cents per share respectively.

(2) Computed based on 492,259,308 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.

BACKGROUND

A-Sonic Aerospace Limited and its subsidiaries (the "A-Sonic Group") are engaged in two areas of businesses, aerospace engineering-related business and logistics. Currently, we operate in 36 cities in 13 countries, spanning three continents in Asia, North America, and Europe. In 2009, we invested in our network offices and operated in four new cities, namely, Amsterdam, Dallas, Ho Chi Minh, and Sydney. With our corporate head office in Singapore, we employed approximately 660 staff worldwide as at 31 December 2009.

We supply aircraft systems and components to airlines and aviation maintenance repair organizations. Between 2003 and 2008, we had engaged in the purchase and sale of aircraft. Subject to market condition, we may also engage in the purchase, sale and lease of aircraft. In January 2010, we established a new business segment in aviation training, with particular focus on aviation maintenance.

A-Sonic Logistic Solutions has four complementary units. The first business segment provides supply chain management services. We specialize in many aspects of logistic solutions, including international and domestic multi-modal transportation, warehousing, distribution, and customs clearance. The second segment provides airport ground services for cargo, transportation services, and specialized active and passive packaging solutions to customers. In our third business segment, we act as an exclusive air cargo general sales agent for several international airlines in Asia and Australasia. In October 2009, we formed the fourth business unit relating to logistics and business-related education and training, which is pending registration with a governmental agency in Singapore.

FINANCIAL PERFORMANCE

Income Statement

Revenue

FY 2009 v FY 2008

The A-Sonic Group registered "Total Revenue" of US$156.561 million for the financial year ended 31 December 2009 ("FY 2009"). "Total revenue" declined US$99.154 million (38.8%) to US$156.561 million for FY 2009, compared to US$255.715 million for the financial year ended 31 December 2008 ("FY 2008").

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

"Turnover" decreased US$98.756 million (38.9%) to US$155.244 million in FY 2009 compared to US$254.000 million for FY 2008. The aviation engineering-related business constituting aerospace components and aircraft systems, contributed to 3.5% of A-Sonic Group's "Turnover". The other 96.5% of "Turnover" was generated from our logistics business. The sharp decline in "Turnover" was largely due to the global economic downturn which was felt hardest in the first half year of FY 2009. In the first half of FY 2009, "Turnover" declined 53.0% (US$64.251 million), compared to the corresponding first half of FY 2008. In contrast, "Turnover" declined approximately 26.0% (US$34.505 million) in the second half of FY 2009, compared to the corresponding period in the second half of FY 2008.

"Turnover" from the aviation engineering-related business declined US$1.998 million in FY 2009 to US$5.444 million, largely owing to the slow down of the aviation industry as a result of the weak global economy throughout most of FY 2009, and particularly in the first half of FY 2009.

"Turnover" from the logistics business decreased to US$149.800 million in FY 2009, from US$246.558 million in FY 2008. This represented a decrease of US$96.758 million (39.2%). "Turnover" from logistics business decreased principally from our units in Asia, and particularly in the first half of FY 2009 as a result of the sub-prime financial woes which started to take a beating in the second half of FY 2008 and continued into FY 2009. The decline in "Turnover" in FY 2009 was mainly due to the lower business volumes of our customers, and the depressed selling rates.

"Other revenue" declined US$0.398 million to US$1.317 million in FY 2009, compared to US$1.715 million in FY 2008. "Other revenue" was higher in FY 2008 largely attributable to a gain recorded in FY 2008 as a result of the termination of the aircraft maintenance management programme, but did not recur in FY 2009.

4th Qtr 2009 v 4th Qtr 2008

"Total Revenue" for the fourth quarter ended 31 December 2009 ("4Q 2009") decreased US$6.135 million (9.4%) to US$59.298 million, compared to US$65.433 million for the corresponding fourth quarter ended 31 December 2008 ("4Q 2008"). "Total Revenue" was US$6.135 million lower on two grounds. Firstly, both "Turnover" and "Other revenue" decreased. Secondly, the "Turnover" generated from the logistics business decreased US$6.242 million (10.0%) to US$56.443 million in 4Q 2009 compared to US$62.685 million in 4Q 2008.

"Other revenue" decreased US$1.235 million (77.8%) to US$0.353 million in 4Q 2009, compared to US$1.588 million in 4Q 2008. "Other revenue" was US$1.235 million lower in 4Q 2009 compared to 4Q 2008 mainly attributable to: (i) the write-back of provision for restructuring cost of US$1.044 million in 4Q 2008. In comparison, there were no such write-back in 4Q 2009; (ii) a non-recurrent US$0.396 million gain on termination of maintenance contract in 4Q 2008; and (iii) US$0.111 million lower interest income.

4th Qtr 2009 v 3rd Qtr 2009

In 4Q 2009, we recorded higher (US$19.767 million) "Total Revenue" of US$59.298 million, compared to US$39.531 million for the third quarter ended 30 September 2009 ("3Q 2009").

In 4Q 2009, "Turnover" increased US$19.539 million (49.6%) on two grounds. Firstly, the aviation engineering-related business' "Turnover" increased US$1.800 million to US$2.502 million in 4Q 2009, compared to US$0.702 million in 3Q 2009, owing to the increase of sales orders from airline customers. Secondly, the logistics business' "Turnover" increased US$17.739 million (45.8%) to US$56.443 million in 4Q 2009, compared to US$38.704 million in 3Q 2009. The higher "Turnover" in 4Q 2009 was generated principally from the logistics business in Asian markets as the global economy improved with the increased consumers' confidence.

"Other revenue" increased US$0.228 million to US$0.353 million in 4Q 2009, compared to US$0.125 million in 3Q 2009 largely owing to: (i) US$0.156 million higher sundry income; and (ii) US$0.042 million increase in commission income.

Costs and expenses

FY 2009 v FY 2008

"Total costs and expenses" decreased US$111.564 million (41.2%) to US$159.160 million in FY 2009, compared to US$270.724 million in the corresponding FY 2008, in line with the lower "Total Revenue" in FY 2009, compared to that in FY 2008. The two main cost components of our business constituted 94.0% of our "Total costs and expenses" in FY 2009, namely: (i) "Cost of sales" (which comprised "Changes in inventories" and "Purchases of goods and consumables used") and "Cost of services sold" (85.5%); and (ii) "Staff costs" (8.5%).

The US$111.564 million reduction in "Total costs and expenses" was mainly due to:

(i) US$96.721 million (41.9%) decrease in "Cost of services sold" relating to the logistics business, which largely corresponded to the decline of US$96.758 million (39.2%) in the logistics' "Turnover";

(ii) US$12.542 million in "Impairment of goodwill on acquisition" in FY 2008 which did not exist in FY 2009;

(iii) "Staff cost" decreased US$0.804 million (5.6%) to US$13.477 million in FY 2009, compared to US$14.281 million in FY 2008. The lower "staff costs" in FY 2009 was mainly due to the downsizing of our manpower to achieve cost efficiency;

(iv) Lower "Depreciation of property, plant and equipment" in FY 2009 of US$0.153 million (19.3%) to US$0.641 million compared to US$0.794 million in FY 2008. The reduction was mainly due to certain plant and equipment being fully depreciated in the first half of FY 2009; and

(v) The US$0.156 million (31.1%) decline in "Finance costs" in FY 2009 to US$0.345 million from US$0.501 million in FY 2008. The reduction in "Finance costs" was largely owing to: (i) bank term loans repayment in FY 2009 of US$8.734 million; and (ii) the generally lower interest rates in FY 2009 compared to those in FY 2008.

"Other operating expenses" decreased US$0.837 million to US$9.044 million in FY 2009, compared to US$9.881 million in FY 2008, largely owing to: (i) US$1.051 million lower allowance for doubtful trade receivables; (ii) US$0.171 million lower property, plant and equipment written off; (iii) US$0.126 million lower allowance for doubtful non-trade receivables; and (iv) decrease in other expenses such as legal and professional fees, general repair and maintenance, telecommunication, and transport expenses. These decreases were however mitigated by the following: (i) higher foreign exchange loss of US$0.540 million; (ii) an increase of US$0.116 million in provision for restructuring costs; and (iii) US$0.360 million inventory written off in FY 2009, which did not exist in FY 2008.

4th Qtr 2009 v 4th Qtr 2008

"Total costs and expenses" decreased 24.7% (US$19.162 million) to US$58.489 million for 4Q 2009, compared to US$77.651 million for 4Q 2008 mainly attributable to the following:

(i) US$12.542 million of "Impairment of goodwill on acquisition" in 4Q 2008 which did not recur in 4Q 2009;

(ii) "Changes in inventories", "purchases of goods and consumables used" and "Cost of services sold" collectively declined US$4.991 million (8.8%) from US$56.491 million in 4Q 2008 to US$51.500 million in 4Q 2009. "Cost of services sold" of the logistics business decreased US$7.253 million (12.5%) was in line with the decline in the logistics "Turnover" of US$6.242 million (10.0%) in 4Q 2009;

(iii) Lower "Staff costs" of US$0.387 million resulted from further restructuring in our manpower; and

(iv) Lower "Other operating expenses" of US$0.842 million (18.6%). The decrease was mainly attributable to: (a) decrease in the allowance for doubtful trade receivables of US$0.477 million; (b) US$0.541 million increase in bad trade receivables recovered; (c) US$0.141 million decrease in property, plant and equipment written off; and (d) decrease in other expenses such as legal and professional fees, general repair and maintenance, telecommunication, and transport expenses. These decreases were however partially off-set with the increase of: (a) US$0.454 million in foreign exchange loss; and (b) US$0.360 million inventory written off.

4th Qtr 2009 v 3rd Qtr 2009

"Total costs and expenses" in 4Q 2009 increased US$18.134 million (44.9%) from US$40.355 million in 3Q 2009 to US$58.489 million in 4Q 2009, largely due to: (i) US$16.088 million (46.5%) higher in "Cost of services sold" in the logistics business which was in line with an increase of US$17.739 million (45.8%) in the logistics turnover; and (ii) US$1.778 million increase in "other operating expenses". "Other operating expenses" increased mainly because of the "Allowance for doubtful trade receivables" of US$1.508 million.

Gross profits

FY 2009 v FY 2008

Gross profit decreased US$2.066 million (9.8%) to US$19.083 million in FY 2009 compared to US$21.149 million in the corresponding financial year in FY 2008. "Gross profit" was calculated as "Turnover" less "Changes in inventories", "Purchases of goods and consumables used" and "Cost of services sold". Of the US$19.083 million "Gross profit", the aviation engineering-related business generated US$3.129 million and logistics business contributed US$15.954 million. Despite US$2.066 million decrease in "Gross profit", gross profit margin improved from 8.3% in FY 2008 to 12.3% in FY 2009 largely due to higher margin yield generated from the logistics business in the same period.

4th Qtr 2009 v 4th Qtr 2008

We recorded gross profit of US$7.445 million in 4Q 2009, a marginal increase of US$0.091 million (1.2%) from US$7.354 million gross profit in 4Q 2008. Of the US$7.445 million gross profit, aviation engineering-related business contributed US$1.715 million, a decline of US$0.920 million compared to the US$2.635 million recorded in 4Q 2008. Logistics business contributed US$5.730 million gross profit, an increase of US$1.011 million (21.4%) million compared to US$4.719 million gross profit in 4Q 2008. Gross profit margin improved from 11.5% in 4Q 2008 to 12.6% in 4Q 2009, mainly due to sales of higher margin generated from the logistics business.

4th Qtr 2009 v 3rd Qtr 2009

We posted gross profit of US$7.445 million in 4Q 2009, US$2.876 million (62.9%) higher than gross profit of US$4.569 million in 3Q 2009. Both the logistics business and aviation engineering-related business recorded higher gross profit of US$1.651 million and US$1.225 million, respectively. The higher gross profit recorded ion 4Q 2009 compared to 3Q 2009 was largely attributable to the higher turnover in 4Q 2009.

Net profit/(loss

FY 2009 v FY 2008

The Group registered a loss before tax of US$2.599 million in FY 2009, compared to a loss before tax of US$15.009 million in FY 2008. The lower loss before tax of US$12.410 million in FY 2009 was largely attributable to two reasons. Firstly, the "Impairment of goodwill on acquisition" of US$12.542 million in FY 2008. In comparison, there was no "Impairment of goodwill on acquisition" in FY 2009. Secondly, the loss before tax being narrowed US$2.372 million in the logistics business.

The aviation engineering-related business recorded a profit before tax of US$1.129 million in FY 2009, compared to a profit before tax of US$3.633 million in FY 2008. The US$2.504 million decrease in profit before tax was largely attributable to: (i) a US$0.396 million gain on termination of the aircraft maintenance programme recorded in FY 2008 which did not recur in FY 2009; (ii) US$0.387 million higher foreign exchange loss; and (iii) US$0.360 million inventory written off in FY 2009.

The logistics business recorded a loss before tax of US$3.728 million in FY 2009, compared to a loss before tax of US$18.642 million in FY 2008. The significant decrease in loss before tax was mainly attributable to the US$12.542 million "Impairment of goodwill on acquisition" in FY 2008 which did not exist in FY 2009. Excluding the US$12.542 million "Impairment of goodwill on acquisition", the loss before tax in FY 2008 would have been US$6.100 million, compared to a loss before tax of US$3.728 million in FY 2009. Losses from the logistics business narrowed in FY 2009 largely owing to higher gross margin yield and tighter overhead cost control measures taken in FY 2009.

With a tax income of US$0.442 million, we recorded a net loss attributable to shareholders (excluding minority interests) of US$1.715 million in FY 2009, compared to US$15.402 million in FY 2008. We recorded a tax income in FY 2009 owing to a tax refund.

4th Qtr 2009 v 4th Qtr 2008

We registered profit before tax of US$0.809 million for 4Q 2009 compared to a loss before tax of US$12.218 million for 4Q 2008.

The aviation engineering-related business recorded lower profit before tax in 4Q 2009 of US$0.585 million, compared to US$2.451 million in 4Q 2008. The lower profit before tax was largely due to the once-off gain on termination of the aircraft maintenance programme that existed in 4Q 2008, but which did not recur in 4Q 2009; and a US$0.360 million inventory written off.

Despite a decrease in gross profit of US$7.253 million, the logistics business managed to turnaround a loss position of US$14.669 million in 4Q 2008 to a profit before tax of US$0.224 million in 4Q 2009. This was largely owing to: (i) US$12.542 million "Impairment of goodwill on acquisition" that was recorded in 4Q 2008 but none in 4Q 2009; (ii) US$0.548 million bad trade receivables recovered in 4Q 2009; and (iii) lower allowance for doubtful trade receivables of US$0.477 million in 4Q 2009.

After a tax income of US$0.809 million, we registered a net profit attributable to shareholders of US$1.520 million in 4Q 2009, compared to a net loss attributable to shareholders of US$12.413 million in 4Q 2008. We recorded a tax income owing to a tax refund.

4th Qtr 2009 v 3rd Qtr 2009

The Group recorded profit before tax in 4Q 2009 of US$0.809 million, compared to loss before tax of US$0.824 million in 3Q 2009. The turnaround from loss before tax in 3Q 2009 to profit before tax in 4Q 2009 was largely due to an increase in gross profit of US$2.876 million in 4Q 2009, as a result of higher turnover generated from the logistics business.

With a tax income of US$0.809 million, we recorded a net profit attributable to shareholders of US$1.520 million in 4Q 2009, compared to a net loss attributable to shareholders of US$0.839 million in 3Q 2009.

Balance Sheets

The Group's "Non-current assets" stood at US$6.225 million as at 31 December 2009, compared to US$5.842 million as at 31 December 2008 ("FY 2008"). The US$0.383 million increase in "Non-current assets" was mainly due to an increase of US$0.281 million in "Deferred tax assets" to US$0.284 million as at 31 December 2009 from US$0.003 million as at the end of FY 2008.

"Current assets" increased US$3.965 million to US$66.218 million as at 31 December 2009, compared to US$62.253 million as at the end of FY 2008 owing to an increase of US$10.690 million in "Trade and other receivables" to US$42.824 million as at 31 December 2009, compared to US$32.134 million as at the end of FY 2008. Logistics business contributed to 95.6% (US$10.222 million) of the increase in "Trade and other receivables". The increase was however pared by:

(i) A reduction of US$0.747 million in inventories; and

(ii) A decrease of US$6.284 million in cash and cash equivalents (comprised of "Cash and bank balances" and "Fixed deposits") resulting from: (a) net repayment of bank term loans of US$1.344 million; (b) US$0.829 million of dividend paid to the shareholders of the Company (c) income tax payments of US$0.689 million; (d) US$0.622 million in purchase of property, plant and equipment; (e) net payments in working capital of US$1.962 million; and (f) US$0.396 million interest payment.

"Non-current liabilities" increased US$0.031 million to US$0.061 million as at 31 December 2009 compared to US$0.030 million as at the end of FY 2008. This was largely because of a US$0.047 million increase in deferred tax liabilities to US$0.061 million as at 31 December 2009 from US$0.014 million as at the end of FY 2008.

"Current liabilities" increased US$6.613 million to US$40.670 million as at 31 December 2009 compared to US$34.057 million as at the end of FY 2008, largely due to:

(i) US$8.520 million in "Trade and other payables"; and

(ii) US$0.331 million in "Provision for restructuring costs.

The increase in "Current liabilities" was partially mitigated by:

(i) a decrease of US$1.241 million in "Bank term loans" to US$9.221 million as at 31 December 2009 from US$10.462 million as at the end of FY 2008; and

(ii) US$0.993 million decline in "Tax payables".

The Group's gearing ratio based on bank borrowings to net asset value (excluding minority interest) stood at 29.9% as at 31 December 2009 compared to 31.8% and as at the end of FY 2008.

Our Group's net asset value (excluding minority interest) stood at US$30.876 million as at 31 December 2009, or an equivalent of US cents of 6.27 per share (equivalent to Singapore cents of 8.81 per share), compared to US$32.858 million as at the end of FY 2008. Net asset value (excluding minority interest) declined US$1.982 million, largely owing to an increase in "Accumulated losses" resulting from the losses in the financial year ended 31 December 2009.

Cash Flow

FY 2009 v FY 2008

"Operating cash flow before movements in working capital" used in FY 2009 was US$1.607 million, compared to US$0.939 million in FY 2008. The higher "Operating cash flow before movements in working capital" used was largely owing to higher share of associates' results of US$0.508 million in FY 2009, compared to US$0.126 million in FY 2008.

In FY 2009, movements in working capital items recorded were as follows: (i) cash generated from inventories and payables of US$0.747 million and US$8.195 million respectively; and cash used in receivables of US$10.904.

After income tax paid of US$0.689 million in FY 2009, we recorded net cash used in operating activities of US$4.258 million, compared to net cash generated of US$13.653 million in FY 2008.

"Net cash used in investing activities" amounted to US$01.22 million in FY 2009, compared to US$2.087 million in FY 2008. The decrease in cash used was largely due to lower cash used in the purchase of property, plant and equipment of US$0.622 million in FY 2009, compared to US$3.237 million in FY 2008.

"Net cash from financing activities" used in FY 2009 was US$2.464 million, compared to US$7.031 million in FY 2008. The decrease in cash used was largely attributable to: (i) US$3.100 million higher in proceeds from bank term loans in FY 2009; and (ii) lower repayment of bank term loans in the quantum of US$8.734 million in FY 2009, compared to US$9.487 million in FY 2008.

4th Qtr 2009 v 4th Qtr 2008

"Operating cash flow before movements in working capital" generated in 4Q 2009 was US$0.790 million, compared to US$0.016 million in 4Q 2008. The "Operating cash flow before movements in working capital" generated was largely due to profit before tax of US$0.809 million in 4Q 2009, compared to a loss before tax US$12.281 million in 4Q 2008.

In 4Q 2009, movements in working capital items recorded were as follows: (i) cash generated in inventories and payables of US$0.286 million and US$8.711 million respectively; and cash used in receivables of US$12.254 million.

After income tax refund of US$0.612 million in 4Q 2009, we recorded net cash used in operating activities of US$1.855 million, compared to net cash generated from operating activities of US$13.747 million in 4Q 2008.

"Net cash generated from investing activities" amounted to US$0.170 million in 4Q 2009, compared to US$0.277 million in 4Q 2008. The decrease was largely due to the lower dividend received from associates in the amount of US$0.333 million in 4Q 2009, compared to US$0.528 million in 4Q 2008.

"Net cash from financing activities" used in 4Q 2009 was US$3.133 million, compared to that generated of US$0.998 million in 4Q 2008. The decrease was largely attributable to: (i) repayment of bank term loans of US$7.405 million in 4Q 2009, compared to no repayment in 4Q 2008; and (ii) higher cash used in the effect of foreign exchange rate changes of US$0.205 million in 4Q 2009 compared to that generated from of US$0.028 million in 4Q 2008.

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

Save for the public announcements to date (i.e. those dated 17 July 2009 and 19 February 2010), no forecast or prospect statement had previously been disclosed to the shareholders.

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.

Our performance in 2010 will depend on the global economic conditions. With unexpected global events that may unfold, we are of the view that the timing and pace of any economic recovery is difficult to predict. Having regard to our earlier announcement dated 7January 2010 and our outlook in 2010, we expect to encounter continued challenges in 2010.

11. Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

No dividend declared or recommended for the financial year ended 31 December 2009.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes.

Name of Dividend	First and Final	Total
Dividend Type	Cash	Cash
Dividend Amount per ordinary share (S$)	0.25 cents (one-tier tax exempt)	0.25 cents (one-tier tax exempt)
Tax rate	NA	NA

(c) Date payable

Not applicable.

(c) Book closure date.

Not applicable.

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

No dividend has been declared or recommended for the financial year ended 31 December 2009.

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

13. Segmented revenue and results for 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

	Aviation engineering -related		Logistic services		Air cargo management services		**Consolidated**	
	US$'000 2009	US$'000 2008	**US$'000 2009**	US$'000 2008	**US$'000 2009**	US$'000 2008	**US$'000 2009**	US$'000 2008
Turnover from reportable segments	**5,444**	7,442	**136,055**	212,450	**21,710**	41,715	**163,209**	261,607
Interest income	**259**	403	**55**	50	**1**	1	**315**	454
Finance costs	**11**	2	**655**	969	**-**	-	**666**	971
Depreciation of property, plant and machinery	**70**	152	**558**	624	**13**	18	**641**	794
Reportable segment profit/(loss)	**1,486**	(21,016)	**(4,302)**	(32,151)	**217**	700	**(2,599)**	(52,467)
Other material non-cash items:								
Impairment of goodwill on acquisition	**-**	-	**-**	12,073	**-**	469	**-**	12,542
Provision for restructuring costs	**-**	-	**309**	193	**-**	-	**309**	193
Provision for restructuring costs written back	**-**	-	**-**	(504)	**-**	-	**-**	(504)
Segment assets	**52,385**	47,749	**183,017**	170,166	**12,609**	12,440	**248,011**	230,355
Expenditure in non-current assets								
- Property, plant and equipment	**20**	10	**558**	3,224	**44**	3	**622**	3,237
- Investment in associates (unallocated)							**-**	85
Segment liabilities	**6,107**	3,497	**185,962**	169,116	**9,552**	9,384	**201,621**	181,997

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

		FY 2009 US$'000	FY 2008 US$'000
i)	**Turnover**		
	Total turnover for reportable segments	**163,209**	261,607
	Elimination of intrasegments turnover	**(7,955)**	(7,601)
	Elimination of intersegments turnover	**(10)**	(6)
	Total group's turnover	**155,244**	254,000

Business Segments - Group (cont'd)

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

		FY 2009	FY 2008
		US$'000	US$'000
2)	**Profit/(Loss) before tax**		
	Total loss before tax for reportable segments	**(2,599)**	(52,467)
	Eliminations on consolidation	**-**	50,000
	Adjustment-impairment of goodwill on acquisition on consolidation	**-**	(12,542)
	Total group's loss before tax	**(2,599)**	(15,009)
3)	**Assets**		
	Total assets for reportable segments	**248,011**	230,355
	Eliminations on consolidation	**(175,568)**	(162,260)
	Total group's assets	**72,443**	68,095
4)	**Liabilities**		
	Total liabilities for reportable segments	**201,621**	181,997
	Eliminations on consolidation	**(160,890)**	(147,910)
	Total group's liabilities	**40,731**	34,087

5) **Other material items**	Reportable segment totals US$'000	Consolidation eliminations US$'000	Group's totals US$'000
FY 2009			
Interest income	**315**	**(193)**	**122**
Finance costs	**666**	**(321)**	**345**
FY 2008			
Interest income	454	(270)	184
Finance costs	971	(470)	501

Geographical Segments - Group

	Turnover		Non-current assets	
	FY 2009	FY 2008	**FY 2009**	FY 2008
	US$'000	US$'000	**US$'000**	US$'000
Asia	**145,178**	239,892	**5,698**	5,664
Others	**18,031**	21,715	**243**	175
Total	**163,209**	261,607	**5,941**	5,839

14. 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, aviation engineering-related business contributed to approximately 3.3% of our group's turnover, and logistics business contributed the balance 96.7% of total reportable segments turnover.

15. A breakdown of sales as follows:

		Full year ended 31 Dec 2009 US$'000	Full year ended 31 Dec 2008 US$'000	% increase / (decrease)
a)	Sales reported for the first half year	**56,892**	121,143	-53.0%
b)	Operating loss after tax before deducting minority interest for first half year	**(2,866)**	(2,236)	28.2%
c)	Sales reported for the second half year	**98,352**	132,857	-26.0%
d)	Operating profit/(loss) after tax before deducting minority interest for second half year [(1)]	**709**	(13,631)	N/M

N/M : not meaningful

Notes:

(1) *FY 2008 figure includes "impairment of goodwill on acquisition" of US$12.542 million*

16. A breakdown of the total annual dividend (in dollar value) for the issuer's paid in the latest full year and its previous full year.

Total Annual Dividend

	Latest full year (FY 2009) US$	Previous full year (FY 2008) US$
Ordinary	829,284	1,266,343

BY ORDER OF THE BOARD

Oh Seok Boon
Joint Company Secretary

26 February 2010