

Business Review **Strategy and New Initiatives**



Our investment in FTS/Hofftrans provides access to its state-of-the-art bunkering fleet in Europe. We also commissioned seven new double-hulled barges in the US on exclusive charter to Chemoil.

The three-pronged strategy that has led Chemoil over the years will continue to be its key driver. While growth will revolve around markets, supply chain and products, we continue to develop creative ways to implement this strategy.

MARKETS - growing our sales volumes by expanding into new geographical markets including acquisitions and strategic partnerships

As we strengthen our presence in the major marine fuel hubs, we are beginning to tap into opportunities in the surrounding regional markets. In Asia, we are exploring partnership opportunities in growing markets such as India, China and Southeast Asia to better serve our global customers.

We have begun services to tanker customers with our operations in the Gulf of Mexico, a venture that underpins Chemoil's leadership as a progressive energy supplier. Ultimately this innovative service complements our operations in Fujairah and creates synergy between our global hubs and customer base.

SUPPLY CHAIN - enhancing our cost advantage by investing in terminals, pipelines, barges, shipping and other assets that are closely associated with our core business

Our recent investments in tankers and barges include double-hulled vessels. We have deployed two new builds

and our investment in FTS/Hofftrans provides access to its state-of-the-art bunkering fleet in Europe. We also commissioned seven new double-hulled barges in the US on exclusive charter to Chemoil. Three of these are in New York and four in Houston.

To augment our recent terminal investments, we are exploring expansion opportunities at our Long Beach and Carson, California terminals, as well as in Singapore and Fujairah. And, we continue to explore terminal opportunities in Panama.

PRODUCTS - expanding our product portfolio beyond marine fuel to include other oil related products such as jet fuel, gasoline/diesel, middle distillates, and lubricants

We are committed to growing towards enviro-friendly energy. We are already gaining industry experience in jet fuel, gasoline and diesel through our 50% associate, IPC (USA). In Europe and Western US, we have been increasing our sales of LSFO. In ARA, as a sign of our commitment to supporting our customers, we commissioned a second barge wholly dedicated to LSFO.

With the advent of new emissions laws and environmental regulations, Chemoil is committed to meeting our customers' needs in terms of service quality and providing a product offering that is aligned with the industry's changing landscape.