



Chemoil Energy Limited
Unaudited Financial Information
For the Full Year Ended 31st December 2007

1. (a)(i) Consolidated Income Statement

	GROUP			GROUP		
	Jan – Dec 2007 US\$'000	Jan – Dec 2006 US\$'000	% Increase/ (Decrease)	Oct – Dec 2007 US\$'000	Oct – Dec 2006 US\$'000	% Increase/ (Decrease)
Revenue	5,364,662	4,345,598	23	1,450,310	1,087,749	33
Other gains/(losses) – net (See Note 1.(a)(ii))	(73,136)	62,540*	N/M	(35,105)	18,252	N/M
	5,291,526	4,408,138	20	1,415,205	1,106,001	28
Expenses						
- Inventories recognised as an expense	5,026,205	4,140,599*	21	1,338,192	1,034,410	29
- Barging and pipeline costs	53,499	44,455*	20	12,640	12,121	4
- Chartering expenses	18,591	29,934*	(38)	3,559	6,443	(45)
- Rentals on other operating leases	37,404	33,211	13	6,608	9,415	(30)
- Demurrage costs	17,953	11,723*	53	3,883	2,560	52
- Employee Benefits	21,151	19,341	9	7,650	7,530	2
- Marketing and communication expenses	4,191	2,930*	43	936	736	27
- Service and commission expenses	10,780	11,498*	(6)	2,251	3,633	(38)
- Other expenses	32,468	19,654*	65	9,918	6,880	44
- Depreciation and amortisation	7,613	3,372	N/M	1,821	952	91
- Finance expense	24,164	20,159	20	6,310	5,180	22
- Public offering costs	-	4,247	N/M	-	997	N/M
Total expenses	5,254,019	4,341,123	21	1,393,768	1,090,857	28
Share of associates and joint ventures results – net	2,225	1,970	13	7	1,008	(99)
Profit/(loss) before income tax	39,732	68,985	(42)	21,444	16,152	33
Income tax expense	(9,415)	(11,137)	(15)	(7,060)	(2,414)	N/M
Profit/(loss) after tax	30,317	57,848	(48)	14,384	13,738	5
Attributable to:						
Equity holders of the Company	30,331	57,844	(48)	14,488	13,738	5
Minority interest	(14)	4	N/M	(104)	-	N/M

N/M: not meaningful

*: Comparatives are reclassified to conform to current year's presentation

1. (a)(ii) Notes to the Consolidated Income Statement

	Group			Group		
	Jan – Dec 2007 US\$'000	Jan – Dec 2006 US\$'000	% Increase/ (Decrease)	Oct – Dec 2007 US\$'000	Oct - Dec 2006 US\$'000	% Increase/ (Decrease)
<u>Other gains/(losses) – net includes the following</u>						
(a) Interest income	5,032	3,963	27	775	732	6
(b) Gain on disposal of subsidiaries	-	236	N/M	-	.-	-
(c) Gain on partial disposal of associates	-	71	N/M	-	-	-
(d) Gain on disposal of financial assets held at fair value through profit or loss	193	-	N/M	-	-	-
(e) Gain / (loss) on disposal of Property, plant and equipment	6,484	(150)	N/M	-	(150)	N/M
(f) Foreign exchange gain/(loss)	174	375	(54)	410	614	(33)
(g) Fair value losses on other financial assets at fair value through profit or loss	(129)	(24)	N/M	(250)	(24)	N/M
(h) Derivatives financial instruments – net (loss)/ gain (See Note a and b)	(84,890)	58,069	N/M	(36,040)	17,080	N/M
Total	(73,136)	62,540	N/M	(35,105)	18,252	N/M
The income statement includes the following expenses						
(i) Allowance for doubtful debts	872	331		872	285	
(j) Adjustments for (under) or overprovision of tax in respect of prior years	(358)	(374)		(358)	-	

N/M: not meaningful

Note:-

- a) The Group enters into derivative contracts in the form of swaps and futures in order to mitigate the risk of market price fluctuations in marine fuel. These derivatives are generally used to hedge our physical inventory or an underlying transaction. Gains or losses on these instruments are recognized under other gains/(losses) net. These gains or losses should not be considered in isolation but in conjunction with the costs of physical inventories shown as “Inventories recognized as expense” in the income statement as they are essentially hedges against price movements on these inventories.
- b) The Group incurred net losses from its derivative financial instruments of US\$84.9 million for FY2007 of which US\$36.0 million was incurred in the fourth quarter 2007 against physical gains of US\$ 132.9 million for the full year 2007. (Please refer to retail, cargo and ex wharf segment result given in item 13). The Group recorded gains from its derivative financial instruments of US\$58.1 million and US\$17.1 million for FY2006 and fourth quarter 2006, respectively. Oil price movements were much steeper in 2007 as compared to 2006.

1 (b) (i) Balance Sheets – Group and Company

	GROUP			COMPANY		
	31-Dec-07 US\$'000	31-Dec-06 US\$'000	% Increase/ (Decrease)	31-Dec-07 US\$'000	31-Dec-06 US\$'000	% Increase/ (Decrease)
ASSETS						
Current assets						
Cash and bank balances	60,109	49,573	21	4,831	9,233	(48)
Derivative financial instruments	2,965	10,671	(72)	228	-	N/M
Other financial assets at fair value through profit or loss	1,604	838	91	1,604	-	N/M
Income tax recoverable	847	3,637	(77)	-	-	-
Other current assets	54,632	23,161	N/M	472	17,248	(97)
Trade and other receivables	458,899	319,887	43	156,413	90,306	73
Inventories	384,853	169,936	N/M	-	-	-
	963,909	577,703		163,548	116,787	
Non-current assets						
Other non-current assets	2,657	3,055	(13)	-	-	N/M
Investments in associates	49,511	22,209	N/M	25,621	18,883	36
Investment in joint ventures	8,372	-	N/M	8,331	-	N/M
Investments in subsidiaries	-	-	-	34,742	17,247	N/M
Intangible assets	1,817	1,626	12	-	-	N/M
Property, plant and equipment	194,592	16,922	N/M	22	-	N/M
Deferred income tax assets	2,053	267	N/M	-	-	-
	259,002	44,079		68,716	36,130	
Total assets	1,222,911	621,782		232,264	152,917	
LIABILITIES						
Current liabilities						
Trade and other payables	307,537	186,364	65	44,384	1,406	N/M
Derivative financial instruments	25,790	2,016	N/M	2,053	-	N/M
Current income tax liabilities	6,283	3,155	99	-	-	-
Borrowings	460,750	135,593	N/M	4,657	8,890	(48)
Provisions for other liabilities and charges	1,639	2,526	(35)	-	-	-
	801,999	329,654		51,094	10,296	
Non-current liabilities						
Borrowings	162,809	51,357	N/M	46,701	33,753	38
Deferred income tax liabilities	4,844	4,455	9	-	-	-
	167,653	55,812		46,701	33,753	
Total liabilities	969,652	385,466		97,795	44,049	
NET ASSETS	253,259	236,316		134,469	108,868	

1 (b) (i) Balance Sheets – Group and Company (continued)

	GROUP			COMPANY		
	31-Dec-07 US\$'000	31-Dec-06 US\$'000	% Increase/	31-Dec-07 US\$'000	31-Dec-06 US\$'000	% Increase/ (Decrease)
EQUITY						
Share capital	2	2	-	2	2	-
Share Premium	85,816	85,816	-	85,816	85,816	-
Merger reserve	3,529	3,529	-	-	-	
Other reserves	(240)	222	N/M	947	41	N/M
Retained earnings	164,152	146,747	12	47,704	23,009	N/M
	253,259	236,316		134,469	108,868	
Minority interest	-	-		-	-	
Total equity	253,259	236,316		134,469	108,868	

1. (b)(ii) Aggregate amount of Group's Borrowings and Debt securities

	31-Dec-07 (in US\$'000)		31-Dec-06 (in US\$'000)	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	440,850	19,900	126,993	8,600
Amount repayable after one year	162,809	-	51,357	-
Total	603,659	19,900	178,350	8,600
	31-Dec-07 US'000		31-Dec-06 US'000	
Details of any collaterals				
Secured on current assets of a subsidiary		13,297		15,164
Secured on property, plant and equipment and lease rentals of subsidiaries		177,036		57,480
Secured against trade receivables under a receivables purchase agreement of a subsidiary (See Note a below)		286,973		83,916
Secured on bank balances and deposits, trade and other receivables and inventories of subsidiaries		126,244		21,703
Secured on motor vehicles of a subsidiary (See Note b below)		109		87
Total		603,659		178,350

Note: (in US\$'000)

a) The gross amounts of trade receivables secured under the receivables purchase agreement is US\$330,812 (2006:US\$140,810)

b) The carrying amount of motor vehicles pledged as security for borrowings are US\$190. (2006: US\$132)

1. (c) Consolidated Cash Flow Statement

(In US \$'000, unless otherwise stated)	GROUP			
	Ytd Dec 2007	Ytd Dec 2006	Q4 2007	Q4 2006
Cash flows from operating activities				
Profit after tax	30,317	57,848	14,384	13,738
Adjustments for:				
Tax expense	9,415	11,137	7,059	2,414
Share option expenses	906	41	264	41
Depreciation and amortization	7,613	3,372	1,821	952
(Gain)/Loss on disposal of property, plant and equipment	(6,484)	150	-	150
Gain on disposal of associates	-	(71)	-	-
Gain on disposal of subsidiaries	-	(236)	-	-
Gain on disposal of other financial assets at fair value through profit or loss	(193)	-	-	-
Fair value losses on other financial assets at fair value through profit or loss	129	24	250	24
Share of associates and joint ventures results- net	(2,225)	(1,970)	(7)	(1,008)
Interest income	(5,032)	(3,963)	(775)	(732)
Finance expense	24,164	20,159	6,310	5,180
Operating cash flow before working capital changes	58,610	86,491	29,306	20,759
Changes in operating assets and liabilities				
Derivative financial instruments	29,954	(3,497)	15,410	11,793
Other assets	(21,650)	3,141	(28,653)	821
Trade and other receivables	(137,643)	20,236	22,002	41,619
Inventories	(211,935)	35,916	(150,730)	92,752
Trade and other payables	118,069	(112,543)	(31,880)	(101,799)
Provisions for other liabilities and charges	(887)	(465)	15	(33)
Cash used in operations	(165,482)	29,279	(144,530)	65,912
Income tax paid	(4,695)	(15,573)	297	(3,853)
Net cash (used in)/generated from operating activities	(170,177)	13,706	(144,233)	62,059
Cash flows from investing activities				
Purchase of other financial assets at fair value through profit or loss	(1,857)	(862)	(1,857)	(354)
Purchases of property, plant & equipment	(195,622)	(5,035)	(27,586)	(3,704)
Advance for purchase of property, plant and equipment	(8,602)	(16,980)	(8,602)	(16,980)
Proceeds from disposal of property plant and equipment	26,235	-	-	-
Proceeds from disposal of investment in associates	34	273	-	-
Capital reduction of an associate	-	300	-	-
Acquisition of a subsidiary, net of cash received	(11,639)	(21,801)	-	-
Disposal of subsidiaries, net of cash disposed of	-	(297)	-	-
Investment in associates	(25,946)	(2,798)	(18,130)	-
Investment in Joint Ventures	(8,331)	-	(496)	-
Proceeds from disposal of other financial assets at fair value through profit or loss	1,160	-	460	-
Loan repayments received from a related party	-	4,000	-	-
Interest received	5,032	3,963	775	732
Dividends received from associates	728	2,003	95	485
Net cash used in investing activities	(218,808)	(37,234)	(55,341)	(19,821)

1. (c) Consolidated Cash Flow Statement (continued)

Cash flow from financing activities				
Proceeds from borrowings	402,235	120,555	124,645	8,600
Repayments of borrowings	(27,106)	(177,491)	1,270	(160,190)
Proceeds from issuance of ordinary shares	-	85,816	-	85,816
Interest paid	(24,164)	(20,159)	(6,310)	(5,180)
Bank balances and deposits pledged with banks for bank loans	3,381	(7,038)	(2,149)	(5,689)
Dividends paid to shareholders	(12,926)	(11,000)	-	-
Net cash generated from/(used in) financing activities	341,420	(9,317)	117,456	(76,643)
Net decrease in cash and cash equivalents	(47,565)	(32,845)	(82,118)	(34,405)
Cash and cash equivalents at beginning of financial year/period	17,365	50,210	51,918	51,770
Cash and cash equivalents at end of financial year/period	(30,200)	17,365	(30,200)	17,365
Cash and cash equivalents comprise:				
Cash and bank balances	60,109	49,573	60,109	49,573
Bank balances and deposits pledged with bank loans	(7,124)	(10,505)	(7,124)	(10,505)
Bank overdrafts	(83,185)	(21,703)	(83,185)	(21,703)
Total	(30,200)	17,365	(30,200)	17,365

1.(d)(i) Statements of Changes in Equity

	Share capital	Merger Reserves	Share premium	Other reserves	Retained earnings	Minority interest	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
GROUP FULL YEAR							
Balance at 1 January 2007	2	3,529	85,816	222	146,747	-	236,316
Currency translation differences recognized directly in equity	-	-	-	457	-	-	457
Profit for the year	-	-	-	-	30,331	(14)	30,317
Total recognized income for the year	-	-	-	457	30,331	(14)	30,774
Dividend relating to 2006	-	-	-	-	(12,926)	-	(12,926)
Acquisition of a subsidiary	-	-	-	-	-	14	14
Employee share option scheme: - Value of services rendered	-	-	-	906	-	-	906
Cash flow hedges	-	-	-	(1,825)	-	-	(1,825)
Balance as at 31st December 2007	2	3,529	85,816	(240)	164,152	-	253,259
Balance at 1 January 2006	2	3,529	-	121	99,903	176	103,731
Currency translation differences recognized directly in equity	-	-	-	55	-	4	59
Profit for the year	-	-	-	-	57,844	4	57,848
Total recognized income for the year	-	-	-	55	57,844	8	57,907
Dividend relating to 2005	-	-	-	-	(11,000)	-	(11,000)
Disposal of subsidiaries	-	-	-	5	-	(184)	(179)
Employee share option scheme: - Value of services rendered	-	-	-	41	-	-	41
Proceeds from shares issued	-	-	85,816	-	-	-	85,816
Balance as at 31st December 2006	2	3,529	85,816	222	146,747	-	236,316

1. (d)(i) Statements of Changes in Equity (continued)

COMPANY FULL YEAR	Share capital US\$'000	Share premium US\$'000	Other reserves US\$'000	Retained earnings US\$'000	Total equity US\$'000
Balance at 1 January 2007	2	85,816	41	23,009	108,868
Profit for the year	-	-	-	37,621	37,621
Total recognised income for the year	-	-	-	37,621	37,621
Dividend relating to 2006	-	-	-	(12,926)	(12,926)
Employee share option scheme:					
- Value of services rendered	-	-	906	-	906
Balance at 31 December 2007	2	85,816	947	47,704	134,469
Balance at 1 January 2006	2	-	-	3,010	3,012
Profit for the year	-	-	-	20,999	20,999
Total recognized income for the year	-	-	-	20,999	20,999
Dividend relating to 2005 (refer note a)	-	-	-	(1,000)	(1,000)
Employee share option scheme:					
- Value of services rendered	-	-	41	-	41
Proceeds of share issue	-	85,816	-	-	85,816
Balance at 31 December 2006	2	85,816	41	23,009	108,868

a) During the year an additional dividend of US\$10 million was paid by a company treated as a subsidiary pursuant to the adoption of merger accounting

1.(d)(i) Statements of Changes in Equity (continued)

	Share capital	Merger Reserves	Share premium	Other reserves	Retained earnings	Minority interest	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
GROUP – 4th Quarter							
Balance at 1 October 2007	2	3,529	85,816	348	149,664	104	239,463
Currency translation differences recognised directly in equity	-	-	-	440	-	-	440
Profit for the period	-	-	-	-	14,488	(104)	14,384
Total recognised income for the period	-	-	-	440	14,488	(104)	14,824
Employee share option scheme:							
- Value of services rendered	-	-	-	264	-	-	264
Cash flow hedges				(1,292)			(1,292)
Balance as at 31st December 2007	2	3,529	85,816	(240)	164,152	-	253,259
Balance at 1st October 2006	2	3,529	-	113	133,009	-	136,653
Currency translation differences recognised directly in equity	-	-	-	63	-	-	63
Profit for the period	-	-	-	-	13,738	-	13,738
Total recognised income for the period	-	-	-	63	13,738	-	13,801
Disposal of subsidiaries	-	-	-	5	-	-	5
Employee share option scheme:							
- Value of services rendered	-	-	-	41	-	-	41
Proceeds from shares issued	-	-	85,816	-	-	-	85,816
Balance as at 31st December 2006	2	3,529	85,816	222	146,747	-	236,316

1.(d)(i) Statements of Changes in Equity (continued)

COMPANY 4th Quarter	Share capital US\$'000	Share premium US\$'000	Other reserves US\$'000	Retained earnings US\$'000	Total equity US\$'000
Balance at 1 October 2007	2	85,816	150	46,782	132,750
Transfer to retained earnings	-	-	533	(533)	-
Profit for the period	-	-	-	1,455	1,455
Total recognized income for the period	-	-	-	1,455	1,455
Employee share option scheme:					
- Value of services rendered	-	-	264	-	264
Balance at 31 December 2007	2	85,816	947	47,704	134,469
Balance at 1 October 2006	2	-	-	9,187	9,189
Profit for the period	-	-	-	13,822	13,822
Total recognised income for the period	-	-	-	13,822	13,822
Employee share option scheme:					
- Value of services rendered	-	-	41	-	41
Proceeds from shares issued	-	85,816	-	-	85,816
Balance at 31 December 2006	2	85,816	41	23,009	108,868

1 (d) (ii) Details of any changes in the Company's share capital arising from rights issue, bonus issue, 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 year. 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 year reported on and as at the end of the immediately preceding financial year.

Nil

1 (d) (iii) Total number of issued shares excluding treasury shares

As at the end of the current financial period -1,292,612,000 shares

And as at the end of the immediately preceding year -1,292,612,000 shares

1 (d) (iv) Statement showing all sales, transfers, 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 information has not been audited or reviewed.

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

Not applicable

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

Except as disclosed under item 5, the Group has applied the same accounting policies and methods of computation in the financial information for the current reporting year compared with the last audited financial statements as at 31 December 2006.

5. If there are any changes in the accounting policies and methods of computation, what has changed, as well as the reasons for, and the effect of the change.

The Group has adopted the following amendments and interpretations to the International Financial Reporting Standards, which are relevant to its operations.

- IAS 1 (Amendment), 'Presentation of financial statements – Capital disclosures' (effective from 1 January 2007)
- IFRIC 8 Scope of IFRS 2 (Effective from 1st January 2007)
- IFRIC 10 Interim Financial Reporting and Impairment (effective from 1st January 2007)
- IFRS 7 Financial Instruments: Disclosures, and a complementary amendment to IAS 1, Presentation of Financial Statements – Capital Disclosures (effective from 1st January 2007)

The adoption of the above mentioned amendments and interpretations did not materially affect the results of the Group.

6. Earning per Ordinary Share

Earnings per ordinary share	Jan – Dec 2007	Jan – Dec 2006	Oct – Dec 2007	Oct - Dec 2006
(a) Based on weighted average number of ordinary shares on issue (US cents per share)	2.346	5.220	1.121	1.210
(b) On fully diluted basis (US cents per share)	2.328	5.190	1.118	1.200

7. Net Asset Value

	Group		Company	
	31-Dec-07	31-Dec-06	31-Dec-07	31-Dec-06
Net asset value per ordinary share based on issued share capital (US cents per share)	19.59	18.28	10.40	8.42

8. Review of the Performance of the Group

Full year ended 31st Dec 2007 compared to the Full year ended 31st Dec 2006
4th Quarter ended 31st Dec 2007 (Q4 2007) compared to the 4th Quarter ended 31st Dec 2006 (Q4 2006)

	Jan – Dec 2007	Jan – Dec 2006	% Increase/ (Decrease)	Oct – Dec 2007	Oct - Dec 2006	% Increase/ (Decrease)
Volumes - MTs million	14.6	13.7	7.0	3.1	3.8	(18.4)
Average sales value per MT - US\$	363.10	312.9	16.0	461.9	280.0	65.0
Average purchase cost per MT – US\$ (see note a)	349.36	298.5	17.0	441.7	267.0	65.4
Gross contribution US\$ million (see note b)	115.3	132.2	(12.8)	47.1	36.2	30.0
Gross contribution per MT - US\$	7.9	9.7	(18.6)	15.1	9.5	58.9
Revenue - US\$ million	5,365	4,346	23.4	1,450	1,088	33.3
Profit before tax - US\$ million	39.7	69.0	(42.5)	21.4	16.2	32.1
Profit after tax – US\$ million	30.3	57.8	(47.6)	14.4	13.7	5.1
Earnings per share in US cents – basic	2.346	5.220	(55.1)	1.121	1.210	(7.4)
- diluted	2.328	5.190	(55.1)	1.118	1.200	(6.8)

MT = Metric ton

Note:

- a) Average purchase cost includes the gains or losses on commodity swaps and futures.
- b) Gross contribution is calculated as revenue minus derivative financial instruments (gains)/losses net, inventories recognized as an expense, barging and pipeline costs, chartering expenses, rentals on operating leases, demurrage costs and service and commission expenses.

Consolidated Income Statement

Chemoil achieved revenue growth of 33% from US\$ 1.09 billion in the 4th quarter 2006 to US\$1.45 billion in 4th quarter 2007. For the full year 2007 the company's revenue growth was 23%, rising from US\$ 4.35 billion in the full year 2006 to US\$ 5.36 billion.

4th Quarter

There was a sharp increase in oil prices during the period and the average sales value during the quarter was higher by 65% at US\$ 461.9 per metric ton in 2007 against US\$ 280 in 2006. Average purchase costs also increased by 65% from US\$ 267 per metric ton in 2006 to US\$ 441.70 in 2007.

Volumes reduced by 18% from 3.8 million metric tons in 2006 to 3.1 million metric tons in 2007 mainly as a result of lower sales volumes in Singapore. During the period the scale of Singapore operations were reduced to prepare for the move to the Company's new storage facilities at Helios Terminal from the beginning of the New Year.

Annual

In 2007, the Group's sales volumes grew by 7%, with volumes increasing by 0.9 million metric tons from 13.7 million tons in 2006 to 14.6 million tons in 2007. Higher retail sales in Americas and Europe and greater overall cargo sales were the basis for this increase.

In 2007 average sales value increased by 16% to US\$ 363.10 per metric ton from US\$ 312.9 per metric ton in 2006. Purchase costs increased by 17% during the year from US\$ 298.5 per metric ton in 2006 to US\$ 349.4 in 2007.

Gross Contribution(GC) and Gross Contribution per Metric ton (GCMT)

4th Quarter

Gross contribution increased by US\$ 10.9 million, 30% from US\$ 36.2 million in 2006 to US\$ 47.1 million in 2007. Gross contribution per metric ton increased by 58.9% from US\$ 9.5 in 2006 to US\$ 15.1 in 2007.

Like the previous quarters, the 4th quarter of 2007 also witnessed significant increases in fuel prices. The group was able to achieve a favourable sales mix with a focus on retail sales in the Americas and Europe and thereby extract better fuel margins during a substantial part of the period. The increased sales value and improved sales mix produced better fuel margins to offset the losses from derivative financial instruments amounting to \$36 million for the 4th quarter 2007 and generated a GCMT of US\$ 15.1 for the quarter.

Annual

Gross contribution decreased by US\$16.9 million, 12.8% from US\$ 132.2 million in 2006 to US\$ 115.3 million in 2007. Gross contribution per metric ton decreased by 18.6% from US\$ 9.7 per metric ton in 2006 to US\$ 7.9 per metric ton in 2007.

The Group faced challenging operating conditions mainly in the 2nd and 3rd quarters of 2007 when quarterly GCMT decreased to US\$5.41 and US\$2.81 per metric ton, respectively. This was caused by problems in the interim deployment and the operation of the floating storage facilities in Singapore and volatile energy markets that created a difficult environment to manage the Group's overall inventory exposure. Cumulatively, these factors put pressure on margins. The performance in the 4th quarter was better due to an improved sales mix and increased sales realisations.

Gross contribution includes several expense heads such as barging and pipeline costs, chartering expenses, demurrage, rentals on operating leases, etc. The reasons for significant variances in these and other expense heads are explained below:

Barging and Pipeline Costs:

Annual

Barging and pipeline costs increased by US\$ 9 million or 20.3%. These costs have increased due to the consolidation of expenses amounting to \$3.5 million from Chemoil Europe BV upon its becoming a subsidiary in June 2006. Initial one time commission costs of 3 barges at New York in January 2007 and the commencement of deliveries in the Gulf of Mexico which required the chartering of a new delivery vessel contributed an additional expense of \$3.8 million. Apart from the above, there were increased costs in Americas and Europe due to the greater volume of retail sales in these ports.

Rentals on operating leases:

4th Quarter

Rentals decreased by US\$ 2.8 million or 29.8% due to decreased floating storage costs at Singapore as the floating storage facilities were sold in end September and the scale of operations in Singapore was reduced to prepare for the move to the group's new storage facilities in the new year.

Annual

Rentals increased by US\$ 4.2 million or 12.6%, due to the consolidation of costs at Chemoil Europe BV and the higher floating storage costs incurred at Singapore in the first nine months of the year.

Demurrage costs:

4th Quarter

Demurrage cost increased by US\$1.3 million or 51.7% as a result of port congestion in Panama.

Annual

Demurrage cost increased by US\$ 6.2 million or 53.1%. These increases were mainly due to additional demurrage at Panama and Rotterdam due to port congestion.

Other expenses:**4th Quarter**

Other expenses increased by US\$3.0 million or 44.1%. Expenses increased due to deductibles on insurance claims, and increased oil spill tax costs, surveyor and analysis costs, insurance and additional corporate overheads related to the Group's transition to a public company. Additionally several new entities were acquired and consolidated during the year resulting in increased expenses.

Annual

Other expenses increased by US\$ 12.8 million or 65%. The expenses for 2006 include a one time duty drawback credit of US\$ 2.2 million. In 2007 costs of US\$ 1.0 million for certain development projects in Panama were written off. Apart from the above, expenses increased due to insurance deductibles, oil spill tax costs, surveyor and analysis costs and additional corporate overheads incurred as a result of the transition to a public company and as a result of the addition of several new entities during the year.

Depreciation and Amortization

Annual depreciation and amortization increased by US\$ 4.2 million in 2007 mainly because of the increased depreciation on the additional investments made in vessels and other fixed assets during the year.

Finance Costs

Finance costs increased from US\$5.2 million in 2006 to US\$ 6.3 million or 21.8% for the 4th quarter and from US\$20.2 million in 2006 to US\$ 24.2 million or 20% for the full year. This is mainly because of the increased level of borrowings in 2007.

Income Tax expense

The Group's effective tax rate increased from 16.1% in 2006 to 23.7% in 2007 and from 15% in Q4 2006 to 32.9% in Q4 2007. This is due to generation of higher profits in high tax jurisdictions.

Consolidated Balance Sheet

Consistent with the growth strategy of integrating our supply chain and expanding our global foot print into key markets, the Group implemented a capital expenditure program centered on strengthening its control over strategic assets including storage terminals and vessels.

The Group's total assets increased by 96.7% from US\$ 621.8 million as at end December 2006 to US\$ 1.22 billion as at end December 2007. In addition, the Group's current assets increased as a result of higher volumes and generally higher oil prices in 2007.

The Group's receivables (no. of days of debtors) increased to 30.8 days as of end December 2007 compared to 26.5 days as of end December 2006. The increase in number of days reflects the higher volumes of retail sales and higher prices prevailing as at end December.

Inventory (no. of days of stock) increased to 27.6 days compared to 14.8 days as of end December 2006. Trade payables (no. of days of payables) increased to 21.4 days compared to 15.7 days as of end December 2006. Inventory increased mainly in the US and Singapore as a result of cargo in transit and the higher prices prevailing as at the end of the year 2007. This build up also resulted in a corresponding increase in trade payables.

The other current assets mainly represent advances to suppliers of marine fuel and advance paid against the purchase of property in Chennai India.

The increase in investments in associates mainly represents the investments in Burando Holdings B.V of US\$ 17.3 million and the subscription of shares in California Software Limited of US\$ 7.8 million.

Investments in joint ventures of US\$8.4 million represent the payments made towards the group's investments in Fujairah and Panama.

Investments in property plant and equipment increased to US\$195 million in December 2007 from US\$16.9 million as of end December 2006 mainly due to the acquisition of Helios Terminals Pte Ltd. and 4 vessels during the year.

Borrowings increased to US\$623.6 million as at end December 2007 compared to US\$187.0 million as at end December 2006 (Refer to Note 1 (b)(ii)). The net debt to equity ratio increased to 246% in December 2007 compared to 79 % as at end December 2006 whereas the net long term debt to equity ratio increased to 64% in 2007 compared to 22% as at end December 2006.

Working capital was US\$ 161.9 million as at end December 2007 against US\$ 248 million at end December 2006 and shareholders' funds increased to US\$ 253.3 million as at end December 2007 compared to US\$ 236.3 million as at end December 2006.

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 the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The volatility in both energy pricing and price relationships between physical and hedge instruments may contribute to increase in earnings variability.

11. If a decision regarding dividend has been made

a) Whether an interim (final) ordinary dividend has been declared (recommended); and

No dividend has been declared in respect of the current year.

b) (i) Amount per share / rate %

Not applicable

b) (ii) Previous corresponding period /rate %

US\$ 12.9 million (US 1 cent per share) relating to 2006

c) Whether the dividend amount 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

d) The date when the dividend is payable

Not applicable

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

Not applicable

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

No dividend has been declared or recommended in respect of the current period.

13. Segmented revenue and results for business segments or geographical segments (of the group) in the form presented in the issuers' most recent audited financial statements, with comparative information for the immediately preceding year.

At 31 December 2007, the Group is organized into three main business segments:

- Retail – Sales of physical supplies of marine fuel and related products to end users such as oil tankers, container ships, dry bulk carriers, and cruise ships.
- Cargo – Sales of marine fuel and related products, such as the components of marine fuel used to blend into marine fuel, to customers such as traders, physical suppliers and resellers.
- Ex-wharf – Sales of marine fuel to customers such as resellers or distributors that accept delivery at our service centers and subsequently resell and deliver the product to end users. The sales are typically made to marine fuel traders, barge companies and other customers.

Others represent chartering income, terminal rental, service fees and commission income, demurrage, other claim income and share of associates' results – net.

Unallocated income/(costs) represent gain on disposal of associates, currency exchange gain/(loss) - net, derivative financial instruments - net, finance income, net, finance expense, public offering costs and income tax expense.

31-Dec-2007	Retail	Cargo	Ex-wharf	Others	Total
Sales	2,759,701	1,718,455	833,961	52,545	5,364,662
Segment result (See Note a) below)	62,354	60,361	10,184	1,908	134,807
Share of associates' & JV's results – net				2,225	2,225
Unallocated income/(costs)					
Other gains/(losses) – net					(73,136)
Finance expense					(24,164)
Profit before income tax					39,732
Income tax expense					(9,415)
Total profit					30,317
31-Dec-2006	Retail	Cargo	Ex-wharf	Others	Total
Sales	2,126,877	1,059,599	1,094,070	65,052	4,345,598
Segment result (See Note a) below)	16,520	14,504	(5,985)	3,842	28,881
Share of associates' results – net				1,970	1,970
Unallocated income/(costs)					
Other gains/(losses) – net					62,540
Finance expense					(20,159)
Public offering costs					(4,247)
Profit before income tax					68,985
Income tax expense					(11,137)
Total profit					57,848

Note

a) Segment results do not include derivative gains/(losses)

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.

Please see earlier comments under item 8.

15. A breakdown of the following:

		2007 US\$'000	2006 US\$'000	% Increase/ Decrease
a)	Sales reported for first half	2,313,492	2,037,906	13.5
b)	Operating profit/loss after tax before deducting minority interests reported for first half year	18,470	25,163	(26.6)
c)	Sales reported for second half	3,051,170	2,307,692	32.2
d)	Operating profit/loss after tax before deducting minority interests reported for second half year	11,847	32,685	(63.8)

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

		2007 (US\$' 000)	2006 (US\$' 000)
a)	Ordinary	-	12,926
b)	Preference	-	-
c)	Total	-	12,926

16. Interested person transactions.

During the financial year ended 31st Dec 2007, the following interested person transactions were entered into by the Group,

Name of interested person	Aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions of value less than S\$ 100,000 and transactions entered into pursuant to the IPT mandate)	Aggregate value of all interested person transactions entered into under the IPT mandate during the financial year under review (excluding transactions of value less than S\$ 100,000)
	Jan - Dec 2007 – (US\$' 000)	Jan - Dec 2007 – (US\$' 000)
Itochu Corporation	-	57,053
Itochu Petroleum Company Singapore Pte Ltd	-	149
Andorra Service Limited Hong Kong	8,582	60,738
Andorra Ventures Philippines	215	-
Pebble Beach Shipping	1,100	-
Baron Shipping Corporation	2,401	-
Link Marine Pte Ltd *	535	-
Helios Terminal Corporation Pte Ltd *	57	-
Olympic Shipping Pte Ltd *	2,029	-
Total	14,919	117,940

* In the second half of 2007, the Group acquired 100% interest in these companies. The transactions reported above took place before these acquisitions.

17. Confirmation of the Board

We refer to the requirement under Rule 705(4) of the Listing Manual.

We hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial results for the 4th quarter ended 31st December 2007 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Clyde Michael Bandy
Chairman and Chief Executive Officer

Michael Lim Choo San
Lead Independent Director &
Chairman of Audit Committee

Footnote: The initial public offering of the Company's shares was sponsored by J.P. Morgan (S.E.A.) Limited and UBS AG, acting through its business group, UBS Investment Bank.