



Chemoil Energy Limited

Unaudited Financial Information for the 3rd quarter and nine months ended 30th September 2009

**1. (a)(i) Consolidated Income Statement
(in US\$'000, unless otherwise stated)**

| | GROUP | | | GROUP | | |
|---|-------------------|-------------------|---------------------------|-------------------|-------------------|---------------------------|
| | Jan – Sep 2009 | Jan – Sep 2008 | % Increase/ (Decrease) | Jul – Sep 2009 | Jul – Sep 2008 | % Increase/ (Decrease) |
| Revenue | 3,910,482 | 7,394,735 | (47) | 1,635,183 | 2,721,271 | (40) |
| Other gains/(losses) – net | (104,075) | (57,091) | 82 | (1,028) | 63,122 | N/M |
| Revenue and other gains/(losses) – net | 3,806,407 | 7,337,644 | (48) | 1,634,155 | 2,784,393 | (41) |
| Expenses | | | | | | |
| - Inventories recognised as an expense | 3,567,509 | 7,051,696 | (49) | 1,573,880 | 2,675,091 | (41) |
| - Barging and pipelines costs | 49,195 | 52,027 | (5) | 17,993 | 19,778 | (9) |
| - Chartering and other shipping related expenses | 16,876 | 26,471 | (36) | 4,622 | 6,787 | (32) |
| - Rentals for office premises, storage tanks and motor vehicles | 27,873 | 32,887 | (15) | 9,908 | 11,895 | (17) |
| - Demurrage costs | 10,106 | 23,242 | (57) | 3,612 | 6,911 | (48) |
| - Employee benefits | 34,999 | 25,586 | 37 | 9,587 | 13,655 | (30) |
| - Marketing and communication expenses | 5,541 | 5,443 | 2 | 2,003 | 2,535 | (21) |
| - Service and commission expenses | 11,577 | 11,618 | - | 4,401 | 5,154 | (15) |
| - Other expenses | 47,304 | 41,315 | 14 | 16,182 | 16,279 | (1) |
| - Depreciation and amortisation | 15,354 | 10,678 | 44 | 4,903 | 4,290 | 14 |
| - Finance expense | 15,311 | 28,163 | (46) | 5,553 | 10,918 | (49) |
| Total expenses | 3,801,645 | 7,309,126 | (48) | 1,652,644 | 2,773,293 | (40) |
| Share of results of associates and joint ventures - net | 8,483 | 2,359 | N/M | 2,501 | 1,928 | 30 |
| Profit / (loss) before income tax | 13,245 | 30,877 | (57) | (15,988) | 13,028 | N/M |
| Income tax (expense) / credit * | (5,874) | 3,861 | N/M | 3,727 | (2,636) | N/M |
| Profit / (loss) for the period | 7,371 | 34,738 | (79) | (12,261) | 10,392 | N/M |
| Attributable to: | | | | | | |
| Owners of the Company | 8,524 | 34,798 | (76) | (12,552) | 10,526 | N/M |
| Minority interest | (1,153) | (60) | N/M | 291 | (134) | N/M |
| | 7,371 | 34,738 | (79) | (12,261) | 10,392 | N/M |

N/M = Not meaningful

* = Please refer to note on Page # 16

1. (a) (ii) Statement of Comprehensive Income
(in US\$'000, unless otherwise stated)

| | GROUP | | | GROUP | | |
|--|-------------------|-------------------|---------------------------|-------------------|-------------------|---------------------------|
| | Jan – Sep 2009 | Jan – Sep 2008 | % Increase/ (Decrease) | Jul – Sep 2009 | Jul – Sep 2008 | % Increase/ (Decrease) |
| Profit / (loss) for the period | 7,371 | 34,738 | (79) | (12,261) | 10,392 | N/M |
| Other comprehensive income: | | | | | | |
| Income / (expenses) recognised directly in equity | | | | | | |
| Cash flow hedges | 2,223 | (1,917) | N/M | (899) | (1,775) | (49) |
| Currency translation differences | 3,781 | 288 | N/M | 4,843 | (5,996) | N/M |
| Other comprehensive income for the period | 6,004 | (1,629) | N/M | 3,944 | (7,771) | N/M |
| Total comprehensive income for the period | 13,375 | 33,109 | (60) | (8,317) | 2,621 | N/M |
| Total comprehensive income attributable to: | | | | | | |
| Owners of the Company | 14,257 | 33,592 | (57) | (8,859) | 3,222 | N/M |
| Minority interest | (882) | (483) | N/M | 542 | (601) | N/M |
| | 13,375 | 33,109 | (60) | (8,317) | 2,621 | N/M |

N/M = Not meaningful

**1. (a)(iii) Notes to the Consolidated Income Statement
(in US\$'000, unless otherwise stated)**

| | GROUP | | | GROUP | | |
|--|-------------------|-------------------|------------------------------|-------------------|-------------------|------------------------------|
| | Jan – Sep 2009 | Jan – Sep 2008 | % Increase/ (Decrease) | Jul - Sep 2009 | Jul - Sep 2008 | % Increase/ (Decrease) |
| <u>Other gains/(losses) – net includes the following:</u> | | | | | | |
| (a) Derivatives financial instruments – net (See note a and b) | (105,375) | (80,119) | 32 | (1,554) | 63,537 | N/M |
| (b) Insurance claims (See note c) | - | 14,387 | N/M | - | - | - |
| (c) Fair value gains / (losses) on other financial assets at fair value through profit or loss | 411 | (1,018) | N/M | 223 | (413) | N/M |
| <u>The income statement includes the following income / (expenses)</u> | | | | | | |
| (a) Interest income | 371 | 1,827 | (80) | 19 | 547 | (97) |
| (b) Foreign exchange gain/(loss) | (277) | 7,072 | N/M | (33) | (727) | (95) |
| (c) Gain/(loss) on disposal of property plant and equipment | (23) | 580 | N/M | 14 | - | N/M |
| (d) Allowance for doubtful debts | (3,151) | (1,028) | N/M | (368) | (420) | (12) |

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 recognised 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 recognised as expense” in the income statement as they are essentially hedges against price movements on these inventories.
- b) The Group incurred net losses of US\$ 1.6 million from its derivative financial instruments during 3Q 2009 as compared to a gain of US\$ 63.5 million during 3Q 2008. Against these hedging losses, the Group recorded margins on fuel sales which are already recognised in the financial statements.
- c) It represents claims received against the life insurance of our late Chief Executive Officer, Mr. Robert Viswanathan Chandran.

1. (b) (i) Statement of Financial Position
(in US\$'000, unless otherwise stated)

| | Group | | | Company | | |
|---|------------------|----------------|---------------------------|----------------|----------------|---------------------------|
| | 30-Sep-09 | 31-Dec-08 | % Increase/ (Decrease) | 30-Sep-09 | 31-Dec-08 | % Increase/ (Decrease) |
| ASSETS | | | | | | |
| Current assets | | | | | | |
| Cash and cash equivalents | 54,695 | 77,521 | (29) | 1,032 | 8,052 | (87) |
| Derivative financial instruments | 8,079 | 41,934 | (81) | - | - | - |
| Other financial assets at fair value through profit or loss | 1,079 | 668 | 62 | 1,079 | 668 | 62 |
| Income tax recoverable | - | 669 | N/M | - | - | - |
| Other current assets | 33,688 | 25,295 | 33 | 70 | 1,444 | (95) |
| Trade and other receivables | 499,675 | 248,899 | N/M | 101,651 | 238,761 | (57) |
| Inventories | 408,359 | 122,913 | N/M | - | - | - |
| | 1,005,575 | 517,899 | 94 | 103,832 | 248,925 | (58) |
| Non-current assets | | | | | | |
| Other non-current assets | 5,321 | 2,700 | 97 | 1,000 | - | - |
| Investments in associates | 40,782 | 38,611 | 6 | 14,691 | 14,691 | - |
| Investments in joint ventures | 26,659 | 17,571 | 52 | 16,462 | 11,462 | 44 |
| Investments in subsidiaries | - | - | - | 211,920 | 51,292 | - |
| Intangible assets | 20,364 | 16,576 | 23 | 1,738 | - | - |
| Property, plant and equipment | 229,842 | 233,048 | (1) | 14 | 18 | (22) |
| Deferred income tax assets | 13,542 | 13,261 | 2 | - | - | - |
| | 336,510 | 321,767 | 5 | 245,825 | 77,463 | N/M |
| Total assets | 1,342,085 | 839,666 | 60 | 349,657 | 326,388 | 7 |
| LIABILITIES | | | | | | |
| Current liabilities | | | | | | |
| Trade and other payables | 334,304 | 208,566 | 60 | 53,305 | 36,732 | 45 |
| Derivative financial instruments | 7,300 | 11,278 | (35) | 3,874 | 4,793 | (19) |
| Current income tax liabilities | 2,565 | 2,121 | 21 | - | - | - |
| Borrowings | 520,105 | 126,350 | N/M | 80,207 | 80,208 | - |
| Provisions for other liabilities and charges | 3,353 | 3,579 | (6) | - | - | - |
| | 867,627 | 351,894 | N/M | 137,386 | 121,733 | 13 |
| Non-current liabilities | | | | | | |
| Borrowings | 169,873 | 187,695 | (9) | 37,748 | 40,366 | (6) |
| Derivative financial instruments | 4,919 | 6,212 | (21) | 4,308 | 5,418 | (20) |
| Deferred income tax liabilities | 3,198 | 2,587 | 24 | - | - | - |
| | 177,990 | 196,494 | (9) | 42,056 | 45,784 | (8) |
| Total liabilities | 1,045,617 | 548,388 | 91 | 179,442 | 167,517 | 7 |
| NET ASSETS | 296,468 | 291,278 | 2 | 170,215 | 158,871 | 7 |
| EQUITY | | | | | | |
| Capital & reserves attributable to owners of the Company | | | | | | |
| Share capital | 2 | 2 | - | 2 | 2 | - |
| Share premium | 85,816 | 85,816 | - | 85,816 | 85,816 | - |
| Treasury shares | (1,230) | - | N/M | - | - | - |
| Merger reserve | 3,529 | 3,529 | - | - | - | - |
| Other reserves | (2,504) | (8,725) | (74) | 341 | 1,574 | (78) |
| Retained earnings | 206,820 | 204,759 | 1 | 84,056 | 71,479 | 18 |
| | 292,433 | 285,381 | 3 | 170,215 | 158,871 | 7 |
| Minority interest | 4,035 | 5,897 | (36) | - | - | - |
| Total equity | 296,468 | 291,278 | 2 | 170,215 | 158,871 | 7 |

N/M = Not meaningful

**1. (b) (ii) Aggregate amount of Group's borrowings and debt securities
(in US\$'000, unless otherwise stated)**

| | 30-Sep-09 | | 31-Dec-08 | |
|--|-----------|-----------|-----------|-----------|
| | Secured | Unsecured | Secured | Unsecured |
| Amount repayable in one year or less, or on demand | 519,981 | 124 | 122,265 | 4,085 |
| Amount repayable after one year | 169,817 | 56 | 187,607 | 88 |
| Total | 689,798 | 180 | 309,872 | 4,173 |

| Details of any collateral | 30- Sep -09 | 31-Dec-08 |
|---|-------------|-----------|
| Secured on current assets of subsidiaries | 296,021 | 21,509 |
| Secured against trade receivables under a receivables purchase agreement of a subsidiary (See Note a below) | 199,370 | 77,962 |
| Secured on property, plant and equipment and lease rentals of subsidiaries | 194,204 | 210,172 |
| Secured on other property, plant and equipment of subsidiaries (See Note b below) | 203 | 229 |
| Total | 689,798 | 309,872 |

Note:

a) The gross amount of trade receivables secured under the receivables purchase agreement is US\$ 242,994 (2008:US\$ 126,199)

b) The carrying amount of motor vehicles pledged as security for borrowings is US\$ 234 (2008: US\$ 211)

1. (c) Statement of Cash Flows
(in US\$'000, unless otherwise stated)

| | GROUP | | GROUP | |
|--|------------------|-----------------|------------------|------------------|
| | Jan – Sep 09 | Jan – Sep 08 | Jul – Sep 09 | Jul – Sep 08 |
| Cash flows from operating activities | | | | |
| Profit / (loss) for the period | 7,371 | 34,738 | (12,261) | 10,392 |
| Adjustments for: | | | | |
| Income tax expense / (credit) | 5,874 | (3,861) | (3,727) | 2,636 |
| Share option expense | 442 | 465 | 206 | 155 |
| Depreciation and amortisation | 15,354 | 10,678 | 4,903 | 4,290 |
| Net loss / (gain) on disposals of property, plant and equipment | 23 | (580) | (14) | - |
| Fair value (gains) / losses on other financial assets at fair value through profit or loss | (411) | 1,018 | (223) | 413 |
| Unrealised translation losses / (gains) | 2,055 | (6,723) | 4,415 | 521 |
| Share of results of associates and joint ventures | (8,483) | (2,359) | (2,501) | (1,928) |
| Interest income | (371) | (1,827) | (19) | (547) |
| Finance expense | 15,311 | 28,163 | 5,553 | 10,918 |
| | 37,165 | 59,712 | (3,668) | 26,850 |
| Changes in working capital, net of effects of acquisitions and disposals of subsidiaries | | | | |
| Derivative financial instruments | 31,297 | (65,523) | (33,022) | (100,601) |
| Other assets | (9,650) | 18,218 | (9,841) | 2,652 |
| Trade and other receivables | (250,776) | (136,624) | (17,007) | 471,904 |
| Inventories | (285,446) | (31,565) | (41,513) | 202,622 |
| Trade and other payables | 121,100 | 127,992 | 537 | (327,327) |
| Provisions for other liabilities and charges | (226) | 4,535 | 44 | 1,225 |
| Cash (used in) / generated from operations | (356,536) | (23,255) | (104,470) | 277,325 |
| Income tax paid | (4,431) | (7,769) | (1,631) | (731) |
| Net cash (used in) / generated from operating activities | (360,967) | (31,024) | (106,101) | 276,594 |
| Cash flows from investing activities | | | | |
| Purchases of property, plant and equipment | (7,803) | (36,139) | (3,415) | (8,399) |
| Proceeds from disposal of property, plant and equipment | 86 | 8,969 | (23) | - |
| Purchase of intangible assets | (1,305) | - | (911) | - |
| Investments in associates | - | (199) | - | - |
| Investment in joint ventures | (5,017) | (5,164) | (17) | (3,245) |
| Acquisition of a subsidiary, net of cash received | - | (3,803) | - | (10,579) |
| Loan to third parties | (2,526) | - | (2,526) | - |
| Interest received | 371 | 1,827 | 19 | 547 |
| Dividends received from associates | 2,276 | 1,313 | 2,276 | - |
| Dividends received from joint ventures | 63 | 146 | 63 | - |
| Net cash used in investing activities | (13,855) | (33,050) | (4,534) | (21,676) |
| Cash flows from financing activities | | | | |
| Proceeds from borrowings | 431,324 | 456,462 | 141,352 | 29,609 |
| Repayments of borrowings | (120,652) | (325,259) | (86,082) | (242,133) |
| Purchase of treasury shares | (1,282) | - | - | - |
| Proceeds from re-issuance of treasury shares | 98 | - | 98 | - |
| Interest paid | (15,311) | (28,163) | (5,553) | (10,918) |
| Bank balances and deposits pledged with banks for bank loans | (2,135) | (1,808) | (578) | 2,107 |
| Dividends paid to shareholders | (6,463) | (6,462) | - | - |
| Dividends paid to minority interests | (980) | - | (980) | - |
| Net cash generated from / (used in) financing activities | 284,599 | 94,770 | 48,257 | (221,335) |
| Net (decrease) / increase in cash and cash equivalents | (90,223) | 30,696 | (62,378) | 33,583 |
| Cash and cash equivalents at beginning of financial period | 49,619 | (30,200) | 21,774 | (33,087) |
| Cash and cash equivalents at end of financial period | (40,604) | 496 | (40,604) | 496 |
| Cash and cash equivalents: | | | | |
| Cash and bank balances | 54,695 | 88,762 | 54,695 | 88,762 |
| Bank balances and deposits pledged with banks for bank loans | (12,297) | (8,932) | (12,297) | (8,932) |
| Bank overdrafts | (83,002) | (79,334) | (83,002) | (79,334) |
| Total | (40,604) | 496 | (40,604) | 496 |

1. (d) (i) Statements of Changes in Equity
(in US \$'000, unless otherwise stated)

| GROUP | <u>Attributable to the owners of the Company</u> | | | | | | <u>Total</u> | <u>Minority interests</u> | <u>Total equity</u> |
|---|--|--|-----------------------|----------------------|-----------------------|--------------------------|----------------|---------------------------|---------------------|
| | <u>Share capital</u> | <u>Treasury shares held by Trust¹</u> | <u>Merger reserve</u> | <u>Share premium</u> | <u>Other reserves</u> | <u>Retained earnings</u> | | | |
| NINE MONTHS | | | | | | | | | |
| Balance as at 1 January 2009 | 2 | - | 3,529 | 85,816 | (8,725) | 204,759 | 285,381 | 5,897 | 291,278 |
| Purchase of treasury shares | - | (1,282) | - | - | - | - | (1,282) | - | (1,282) |
| Employee share option scheme: | | | | | | | | | |
| - Value of services rendered | - | - | - | - | 442 | - | 442 | - | 442 |
| - Treasury shares re-issued | - | 52 | - | - | 46 | - | 98 | - | 98 |
| Dividend relating to 2008 | - | - | - | - | - | (6,463) | (6,463) | (980) | (7,443) |
| Total comprehensive income/ (expense) for the period | - | - | - | - | 5,733 | 8,524 | 14,257 | (882) | 13,375 |
| Balance as at 30 September 2009 | 2 | (1,230) | 3,529 | 85,816 | (2,504) | 206,820 | 292,433 | 4,035 | 296,468 |
| Balance as at 1 January 2008 | 2 | - | 3,529 | 85,816 | (240) | 164,152 | 253,259 | - | 253,259 |
| Employee share option scheme: | | | | | | | | | |
| Value of services rendered | - | - | - | - | 465 | - | 465 | - | 465 |
| Dividend relating to 2007 | - | - | - | - | - | (6,462) | (6,462) | - | (6,462) |
| Acquisition of subsidiaries | - | - | - | - | - | - | - | 7,418 | 7,418 |
| Total comprehensive income/ (expense) for the period | - | - | - | - | (1,206) | 34,798 | 33,592 | (483) | 33,109 |
| Balance as at 30 September 2008 | 2 | - | 3,529 | 85,816 | (981) | 192,488 | 280,854 | 6,935 | 287,789 |

¹ A trust was established to purchase and hold the Company's shares from the open market for delivery to employees under the share option plans. Such shares are designated as treasury shares.

1. (d) (i) Statements of Changes in Equity
(in US \$'000, unless otherwise stated)

| GROUP | <u>Attributable to the owners of the Company</u> | | | | | | | <u>Total</u> | <u>Minority interests</u> | <u>Total equity</u> |
|---|--|--|-----------------------|----------------------|-----------------------|--------------------------|----------------|--------------|---------------------------|---------------------|
| | <u>Share capital</u> | <u>Treasury shares held by Trust¹</u> | <u>Merger reserve</u> | <u>Share premium</u> | <u>Other reserves</u> | <u>Retained earnings</u> | | | | |
| 3RD QUARTER | | | | | | | | | | |
| Balance as at 1 July 2009 | 2 | (1,282) | 3,529 | 85,816 | (6,449) | 219,372 | 300,988 | 4,473 | 305,461 | |
| Employee share option scheme: | | | | | | | | | | |
| - Value of services rendered | - | - | - | - | 206 | - | 206 | - | 206 | |
| - Treasury shares re-issued | - | 52 | - | - | 46 | - | 98 | - | 98 | |
| Dividend relating to 2008 | - | - | - | - | - | - | - | (980) | (980) | |
| Total comprehensive income/ (expense) for the period | - | - | - | - | 3,693 | (12,552) | (8,859) | 542 | (8,317) | |
| Balance as at 30 September 2009 | 2 | (1,230) | 3,529 | 85,816 | (2,504) | 206,820 | 292,433 | 4,035 | 296,468 | |
| Balance as at 1 July 2008 | 2 | - | 3,529 | 85,816 | 6,168 | 181,962 | 277,477 | 7,536 | 285,013 | |
| Employee share option scheme: | | | | | | | | | | |
| Value of services rendered | - | - | - | - | 155 | - | 155 | - | 155 | |
| Total comprehensive income/ (expense) for the period | - | - | - | - | (7,304) | 10,526 | 3,222 | (601) | 2,621 | |
| Balance as at 30 September 2008 | 2 | - | 3,529 | 85,816 | (981) | 192,488 | 280,854 | 6,935 | 287,789 | |

¹ A trust was established to purchase and hold the Company's shares from the open market for delivery to employees under the share option plans. Such shares are designated as treasury shares.

**1. (d) (i) Statements of Changes in Equity
(in US \$'000, unless otherwise stated)**

| COMPANY NINE MONTHS | <u>Share capital</u> | <u>Share premium</u> | <u>Other reserves</u> | <u>Retained earnings</u> | <u>Total equity</u> |
|---|---------------------------------|---------------------------------|----------------------------------|-------------------------------------|--------------------------------|
| Balance as at 1 January 2009 | 2 | 85,816 | 1,574 | 71,479 | 158,871 |
| Contribution to Trust ¹ | - | - | (1,675) | - | (1,675) |
| Employee share option scheme: Value of services rendered | - | - | 442 | - | 442 |
| Dividend relating to 2008 | - | - | - | (6,463) | (6,463) |
| Total comprehensive expense for the period | - | - | - | 19,040 | 19,040 |
| Balance as at 30 September 2009 | 2 | 85,816 | 341 | 84,056 | 170,215 |
| Balance at 1 January 2008 | 2 | 85,816 | 947 | 47,704 | 134,469 |
| Employee share option scheme: Value of services rendered | - | - | 465 | - | 465 |
| Dividend relating to 2007 | - | - | - | (6,462) | (6,462) |
| Total comprehensive income for the period | - | - | - | 37,881 | 37,881 |
| Balance as at 30 September 2008 | 2 | 85,816 | 1,412 | 79,123 | 166,353 |

¹ A trust was established to purchase and hold the Company's shares from the open market for delivery to employees under the share option plans. Such shares are designated as treasury shares.

1. (d) (i) Statements of Changes in Equity
(in US \$'000, unless otherwise stated)

| COMPANY 3RD QUARTER | Share capital | Share premium | Other reserves | Retained earnings | Total equity |
|---|--------------------------------|--------------------------------|---------------------------------|------------------------------------|-------------------------------|
| Balance as at 1 July 2009 | 2 | 85,816 | 135 | 62,735 | 148,688 |
| Employee share option scheme: Value of services rendered | - | - | 206 | - | 206 |
| Total comprehensive expense for the period | - | - | - | 21,321 | 21,321 |
| Balance as at 30 September 2009 | 2 | 85,816 | 341 | 84,056 | 170,215 |
| Balance as at 1 July 2008 | 2 | 85,816 | 1,257 | 82,815 | 169,890 |
| Employee share option scheme: Value of services rendered | - | - | 155 | - | 155 |
| Total comprehensive income for the period | - | - | - | (3,692) | (3,692) |
| Balance as at 30 September 2008 | 2 | 85,816 | 1,412 | 79,123 | 166,353 |

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 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 year reported on and as at the end of the immediately preceding financial year.

As at 30 September 2009, the Company's issued and paid-up capital (including treasury shares) comprised of 1,292,612,000 (31 December 2008: 1,292,612,000) ordinary shares. The Company's issued and paid-up capital (excluding treasury shares) comprised of 1,287,429,622 (31 December 2008: 1,292,612,000) ordinary shares.

On 21 January 2009, the Company established a trust to purchase and hold the Company's shares acquired from the open market for delivery to employees under the Company's share incentive plan. The Trust is consolidated in the consolidated financial statements under SIC Interpretation 12, Consolidation – Special purpose entities. Pursuant to its establishment, the Trust has acquired 5,400,000 shares in the Company. Such shares are designated as treasury shares. As at 30 September 2009, 217,622 treasury shares had been re-issued to employees under the compensation share option plan. Treasury shares held by the Trust as at 30 September 2009 is 5,182,378 shares.

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

See above.

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.

See above.

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 below, the Group has applied the same accounting policies and methods of computation in the financial information for the current reporting period compared with the last audited financial statements as at 31 December 2008.

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 1R – Presentation of financial statements
- IAS 23R – Borrowing costs
- IFRS 8 – Operating segments
- Amendment to IFRS 2 – Vesting conditions and cancellations
- Annual Improvements Project which includes amendments to IAS 1, IAS 16, IAS 19, IAS 20, IAS 23, IAS 27, IAS 28, IAS 31, IAS 36, IAS 38, IAS 39.

The adoption of the above mentioned new standards, amendments and interpretations has not materially affected the results of the Group.

6. Earnings per ordinary share

| | Jan – Sep 2009 | Jan – Sep 2009 | Jul – Sep 2009 | Jul – Sep 2008 |
|---|---------------------------|---------------------------|---------------------------|---------------------------|
| (a) Based on weighted average number of ordinary shares on issue (US cents per share) | 0.66 | 2.69 | (0.97) | 0.82 |
| (b) On fully diluted basis (US cents per share) | 0.66 | 2.69 | (0.97) | 0.82 |

7. Net Asset Value

| | Group | | Company | |
|---|------------------|------------------|------------------|------------------|
| | 30-Sep-09 | 31-Dec-08 | 30-Sep-09 | 31-Dec-08 |
| Net asset value per ordinary share based on issued share capital (US cents per share) | 22.64 | 22.08 | 13.17 | 12.29 |

8. Review of Performance of the Group

Nine Months ended 30th September 2009 (9M 2009) compared to the Nine Months ended 30th September 2008 (9M 2008)
3rd Quarter ended 30th September 2009 (3Q 2009) compared to the 3rd Quarter ended 30th September 2008 (3Q 2008)

| | Jan - Sep 2009 | Jan - Sep 2008 | % Increase / (Decrease) | July - Sep 2009 | July - Sep 2008 | % Increase / (Decrease) |
|--|-------------------|-------------------|----------------------------|--------------------|--------------------|----------------------------|
| Volume - Mts million | 11.1 | 12.7 | (12.6) | 3.7 | 4.0 | (7.5) |
| Retail volume – Mts million | 6.6 | 6.2 | 6.5 | 2.2 | 2.2 | - |
| Average Sales Value per MT - US\$ | 342.98 | 574.76 | (40.3) | 432.71 | 672.67 | (35.7) |
| Average Purchase Cost per MT US\$ (note a) | 329.79 | 560.77 | (41.2) | 425.45 | 655.26 | (35.1) |
| Gross Contribution - US\$ million (note b) | 78.3 | 100.3 | (21.9) | 2.8 | 44.3 | (93.7) |
| Gross Contribution per MT - US\$ | 7.03 | 7.89 | (10.9) | 0.75 | 11.10 | (93.2) |
| Revenue - US\$ million | 3,910.5 | 7,394.7 | (47.1) | 1,635.2 | 2,721.3 | (39.9) |
| Profit before Tax - US\$ million | 13.2 | 30.9 | (57.3) | (16.0) | 13.0 | N/M |
| Profit after tax US\$ mill | 7.4 | 34.7 | (78.7) | (12.3) | 10.4 | N/M |
| Profit after tax and minority interest US\$ mill | 8.5 | 34.8 | (75.6) | (12.6) | 10.5 | N/M |
| Earnings per Share | | | | | | |
| - Basic US cents per share | 0.66 | 2.69 | (75.5) | (0.97) | 0.82 | N/M |
| - Diluted US cents per share | 0.66 | 2.69 | (75.5) | (0.97) | 0.82 | N/M |

MT = Metric ton

N/M = Not meaningful

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 recognised as an expense, barging and pipeline costs, chartering expenses, rentals on operating leases, demurrage costs and service and commission expenses. Revenues and expenses that are not part of the core trading and logistics businesses have not been considered for such gross contribution calculations.

Consolidated Income Statement

Revenue

The Group's revenue for 3Q 2009 was lower by 40% at US\$ 1.6 billion as against US\$ 2.7 billion for 3Q 2008. For 9M 2009 the Group's revenue was lower by 47% at US\$ 3.9 billion compared to US\$ 7.4 billion for 9M 2008.

Volumes & Average prices

3rd Quarter & 9 Months

The Group's sales volume for 3Q 2009 was 3.7 million metric tons as compared to 4 million metric tons in 3Q 2008, a decrease of 8%. The Group's sales volume in 9M 2009 was 11.1 million metric tons as compared to 12.7 million metric tons in 9M 2008, a decrease of 13%. The reduction in volume was due to lower wholesale volume in Americas and Europe due to lack of arbitrage opportunities combined with lower ex-wharf volume in Asia. These lower sales were partially compensated by greater retail sales in Asia and Europe.

Oil prices were lower in 3Q 2009 compared to 3Q 2008 which decreased the average sales value in 3Q 2009 by 36% at US\$ 433 per metric ton compared to US\$ 673 per metric ton in 3Q 2008. The decrease in purchase costs in 3Q 2009 was 35% at US\$ 425 per metric ton compared to US\$ 655 per metric ton in 3Q 2008.

The average sales value per metric ton realised during the 9M 2009 was lower by 40% at US\$ 343 per metric ton as compared to US\$ 575 per metric ton in 9M 2008. The lower prices during the year also pushed down our average purchase costs to US\$ 330 in 9M 2009 from US\$ 561 in 9M 2008, a decrease of 41 %.

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

3rd Quarter

Gross contribution reduced by US\$ 41.5 million or by 94 % to US\$ 2.8 million in 3Q 2009 from US\$ 44.3 million in 3Q 2008. GCMT was lower at US\$ 0.75 per metric ton in 3Q2009 as compared to US\$ 11.10 per metric ton in 3Q 2008.

During 3Q 2009, the business operations of the Group were affected by the increase in procurement cost caused by the tightening of fuel oil supply worldwide coupled with the reduction in the Group's term purchase contracts. Pressure on margins was also aggravated by the sustained weakness in the marine fuel market resulting in lower sales realisation across multiple market segments.

Our derivative financial instruments put in place to hedge the Group's inventory exposure had limited P&L impact as we would expect given the narrow band of price fluctuations during the quarter.

9 Months

Gross contribution decreased by US\$ 22 million or by 22 % to US\$ 78.3 million in 9M 2009 from US\$ 100.3 million in 9M 2008. GCMT reduced to US\$ 7.03 in 9M 2009 as compared to US\$ 7.89 in 9M 2008. The principal causes for the reduction are due to the events in 3Q 2009 as explained in the earlier paragraphs.

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:

3rd Quarter & 9 Months

Barging and pipeline expenses decreased by US\$ 1.8 million or 9 % during 3Q 2009 and by US\$ 2.8 million or 5% during 9M 2009. The decrease is due to lower deployment of barges in Americas and Asia.

Chartering expenses:

3rd Quarter & 9 Months

Chartering expenses decreased by US\$ 2.2 million or 32 % during 3Q 2009 and by US\$ 9.6 million or 36% during 9M 2009. The decrease is due to reduced level of chartering activities and charter rates.

Rentals on Operating leases:

3rd Quarter & 9 Months

Rentals on operating leases were lower by US\$ 2 million or 17% during 3Q 2009 and by US\$ 5 million or 15% as the Group did not require the use of temporary storage facilities in Asia and in Americas during the current period as compared to 9M 2008.

Demurrage costs:

3rd Quarter & 9 Months

Demurrage costs were lower by US\$ 3.3 million or 48% in 3Q 2009 and by US\$ 13.1 million or 57% in 9M 2009 as the Group had taken counteractive measures since last year to control the demurrage costs. In addition, the Group did not suffer the same extent of berth congestion in the Americas as compared to 9M 2008.

Employee costs and Other expenses:

9 Months

Several costs such as employee benefits, marketing and communication expenses, service and commission expenses, other expenses and depreciation and amortisation have increased in 9M 2009 due to the inclusion of the results of a subsidiary which was consolidated since June 2008. Without the inclusion of that subsidiary, our overall costs are lower than the previous period.

3rd Quarter

Employee costs for 3Q 2009 have reduced as a result of lower bonus accruals in the current year.

Finance Costs:

3rd Quarter & 9 Months

Finance costs decreased by US\$ 5.4 million or 49% during 3Q 2009 and by US\$ 12.9 million or 46 % during 9M 2009. This decrease is mainly on account of reduced borrowings coupled with lower interest rates during the respective periods.

Share of Associates and Joint Ventures results-Net

3rd Quarter & 9 Months

The Group's share of profits from associates and joint ventures improved to US\$ 2.5 million in 3Q 2009 and US\$ 8.5 million in 9M 2009 against US\$ 1.9 million in 3Q 2008 and US\$ 2.4 million in 9M 2008 as a result of better earnings from joint venture companies.

Income Tax expense

3rd Quarter & 9 Months

In 3Q 2009, the Group had a tax credit of US\$ 3.7 million as compared to a tax charge of US\$ 2.6 million in 3Q 2008. The Group's tax charge for 9M 2009 was US\$ 5.9 million against a tax credit of US \$ 3.9 million during 9M 2008. The Group had certain non taxable income and had reported losses in certain tax jurisdictions which resulted in a tax credit during the respective periods.

Consolidated Statement of Financial Position

The Group's total assets increased to US\$ 1.342 billion as at end September 2009 from US\$839.7 million as at end December 2008. This increase was mainly due to the Group's current assets which had gone up as a result of increased level of oil prices since end of 2008.

| <u>Asset Turnover ratios</u> | Sep 2009 | Dec 2008 |
|---|-----------------|-----------------|
| Inventory Days (average method) | 20.5 | 18.3 |
| Accounts Receivable Days (average method) | 29.3 | 28.9 |
| Accounts Payable Days (average method) | 20.4 | 21.3 |

Given the volatility in oil prices, asset turnover ratios using asset data as at the end of the reporting period instead of average data across the reporting period may not be meaningful. We have therefore adopted the average method of reporting asset turnover ratios and have reported the comparable data for the full year 2008 to provide a more meaningful basis for comparison.

Other current assets increased by US\$ 8.4 million due to increase in advances made to suppliers of marine fuel.

Property plant and equipment decreased to US\$ 229.8 million in September 2009 from US\$ 233.0 million as of end December 2008 mainly on account of depreciation.

Borrowings increased to US\$ 690 million as at end September 2009 compared to US\$ 314.0 million as at end December 2008 (Refer to Note 1 (b) (ii)). The debt to equity ratio increased to 233% as at end September 2009 compared to 108 % as at end December 2008 whereas the long term debt to equity ratio decreased to 57% as at end September 2009 compared to 64% as at end December 2008.

Working capital was US\$ 137.9 million as at end September 2009 against US\$ 166.0 million as at end December 2008 and shareholders' funds increased by US\$ 5.2 million in September 2009 to US\$ 296.5 million as compared to US\$291.3 million in December 2008.

Consolidated Cash Flow Statement

As of September 2009, the Group's net cash used in operating activities was US\$ 361 million compared to US\$ 31 million as at end September 2008.

As of September 2009, the Group's net cash used in investing activities was US\$ 13.9 million compared to US\$ 33 million as at end September 2008.

As of September 2009, the Group's net cash generated from financing activities was US\$ 284.6 million as compared to US\$ 94.8 million as at end September 2008.

The Group has sufficient credit facilities at its disposal to fund its trading and business activities.

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 prolonged global economic situation has negatively impacted the shipping industry resulting in deterioration of some customers' financial credit standing. The Group has not experienced any difficulties or delays in collection of its receivables from its customers. The downturn in the shipping industry has also affected our sales volume of fuel.

As disclosed in our earlier announcement dated 27th October 2009, the Company has been informed by the majority shareholder that they continue to be in negotiations with a potential purchaser for a possible sale of some or all of its shares in the Company subject to final agreement as well as clearance with relevant authorities, but that at this juncture, the negotiations may or may not materialise into something definitive.

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 period.

b) (i) Amount per share / rate %

Not applicable.

b) (ii) Previous corresponding period /rate %

Not applicable.

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

Not applicable.

13. Interested person transactions

During the quarter ended 30th September 2009, 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) US\$'000 | 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) US\$'000 |
|--|---|--|
| Itochu Petroleum Company Singapore Ltd | 1,570 | 14,022 |
| Pebble Beach Shipping | 467 | - |
| Baron Shipping Corporation | 856 | - |
| American Healthnet Inc | 204 | - |
| | | |
| Total | 3,097 | 14,022 |

14. 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 3rd quarter ended 30th September 2009 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