



Chemoil Energy Limited
Unaudited Financial Information
For the Quarter ended 31st March 2008

1. (a)(i) Consolidated Income Statement

	GROUP		
	Jan – Mar 2008 US\$'000	Jan – Mar 2007 US\$'000	% Increase / (Decrease)
Revenue	2,361,776	1,015,681	N/M
Other gains/(losses) – net (See Note 1.(a)(ii))	(6,672)	(13,163)	(49)
	2,355,104	1,002,518	
Expenses			
- Inventories recognised as an expense	2,276,666	931,440 *	N/M
- Barging and pipelines costs	16,129	12,837 *	26
- Chartering expenses	8,617	3,602	N/M
- Rentals for office premises, storage tanks and motor vehicles	11,842	11,066	7
- Demurrage costs	13,466	4,036	N/M
- Employee benefits	5,896	5,700	3
- Marketing and communication expenses	1,298	862	51
- Service and commission expenses	3,358	2,862 *	17
- Other expenses	9,071	6,533 *	39
- Depreciation and amortisation	2,930	1,218	N/M
- Finance expense	8,728	4,648	88
Total expenses	2,358,001	984,804	
Share of associates' and joint venture results – net	110	4,574	N/M
Profit/(loss) before income tax	(2,787)	22,288	N/M
Income tax expense	5,110	(4,424)	N/M
Profit for the year	2,323	17,864	(87)
Attributable to:			
Equity holders of the Company	2,323	17,864	(87)

N/M: not meaningful

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

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

	Group		
	Jan – Mar 2008 US\$'000	Jan – Mar 2007 US\$'000	% Increase/ (Decrease)
<u>Other gains/(losses) – net includes the following</u>			
(a) Derivatives financial instruments – net (See note a and b)	(21,236)	(14,388)	48
(b) Insurance claims (See note c)	14,387	-	N/M
<u>The income statement includes the following income / (expenses)</u>			
(a) Interest income	554	1,320	(58)
(b) Foreign exchange gain/(loss)	16	90	(82)
(c) Loss on disposal of property plant and equipment	(8)	-	N/M
(d) Allowance for doubtful debts	(380)	(990)	(62)

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 of US\$21.2 million from its derivative financial instruments during 1Q 2008 as compared to US\$14.4 million during 1Q2007. This was due to steep increase in oil prices in 1Q2008 as compared to 1Q2007. Against these derivative losses, the group recorded physical gains which are already recognized in the financial statements.
- c) It represents insurance claims against the life insurance of our ex Chief Executive Officer, Mr. Robert Viswanathan Chandran.

1 (b) (i) Balance Sheets as at 31 March 2008
(in US \$'000, unless otherwise stated)

	Group			Company		
	31-Mar-08	31-Dec-07	% Increase / (Decrease)	31-Mar-08	31-Dec-07	% Increase / (Decrease)
ASSETS						
Current assets						
Cash and bank balances	81,668	60,109	36	19,677	4,831	N/M
Derivative financial instruments	6,410	2,965	N/M	21	228	(91)
Other financial assets at fair value through profit or loss	1,218	1,604	(24)	1,218	1,604	(24)
Income tax recoverable	814	847	N/M	-	-	-
Other current assets	40,419	54,632	(26)	1,527	472	N/M
Trade and other receivables	734,961	458,899	60	146,120	156,413	(7)
Inventories	421,341	384,853	9	-	-	-
	1,286,831	963,909		168,563	163,548	
Non-current assets						
Other non-current assets	2,620	2,657	(1)	-	-	-
Investments in associates	47,377	46,754	1	25,622	25,621	N/M
Investments in Joint Venture	10,945	11,129	(2)	9,347	8,331	12
Investment in subsidiaries	-	-	-	34,742	34,742	-
Intangible assets	1,837	1,817	1	-	-	-
Property, plant and equipment	212,349	194,592	9	21	22	(5)
Deferred income tax assets	4,158	2,053	N/M	-	-	-
	279,286	259,002		69,732	68,716	
Total assets	1,566,117	1,222,911		238,295	232,264	
LIABILITIES						
Current liabilities						
Trade and other payables	547,517	307,537	78	45,912	44,384	3
Derivative financial instruments	29,566	25,790	15	3,755	2,053	83
Current income tax liabilities	1,950	6,283	(69)	-	-	-
Borrowings	557,763	460,750	21	7,066	4,657	52
Provisions for other liabilities and charges	709	1,639	(57)	-	-	-
	1,137,505	801,999		56,733	51,094	
Non-current liabilities						
Borrowings	174,086	162,809	7	43,201	46,701	(7)
Deferred income tax liabilities	1,321	4,844	(73)	-	-	-
	175,407	167,653		43,201	46,701	
Total liabilities	1,312,912	969,652		99,934	97,795	
NET ASSETS	253,205	253,259		138,361	134,469	

1 (b) (i) Balance Sheets (continued)

	Group			Company		
	31-Mar-08	31-Dec-07	% Increase / (Decrease)	31-Mar-08	31-Dec-07	% Increase / (Decrease)
EQUITY						
Capital and reserves attributable to equity holders of the Company						
Share capital	2	2	-	2	2	-
Share premium	85,816	85,816	-	85,816	85,816	-
Merger reserve	3,529	3,529	-	-	-	-
Other reserves	(2,617)	(240)	N/M	1,102	947	16
Retained earnings	166,475	164,152	1	51,441	47,704	8
Total equity	253,205	253,259		138,361	134,469	

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

	31-Mar-08 (in US\$'000)		31-Dec-07 (in US\$'000)	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	538,663	19,100	440,850	19,900
Amount repayable after one year	174,086	-	162,809	-
Total	712,749	19,100	603,659	19,900
	31-Mar-08 US'000		31-Dec-07 US'000	
Details of any collateral				
Secured on current assets of a subsidiary		107,610		13,297
Secured on property, plant and equipment and lease rentals of subsidiaries		196,823		177,036
Secured against trade receivables under a receivables purchase agreement of a subsidiary (See Note a below)		269,000		286,973
Secured on bank balances and deposits, trade and other receivables and inventories of subsidiaries		139,213		126,244
Secured on motor vehicles of a subsidiary (See Note b below)		103		109
Total		712,749		603,659

Note: (in US\$'000)

- a) The gross amount of trade receivables secured under the receivables purchase agreement is US\$288,036 (2007:US\$330,812)
- b) The carrying amount of motor vehicles pledged as security for borrowings is US\$185. (2007: US\$190)

1 (c) Consolidated Cash Flow Statement for the period ended 31st March 2008
(in US\$'000, unless otherwise stated)

	GROUP	
	Jan - Mar 2008	Jan - Mar 2007
Cash flows from operating activities		
Profit for the year	2,323	17,864
Adjustments for:		
Income tax expense	(5,110)	4,424
Share option expense	155	215
Depreciation and amortisation	2,930	1,219
Net (gain)/ loss on disposals of property, plant and equipment	8	-
Fair value losses on other financial assets at fair value through profit or loss	385	185
Share of results of associates and Joint Ventures	(110)	(4,574)
Interest income	(554)	(1,320)
Finance expense	8,728	4,648
	8,755	22,661
Changes in working capital, net of effects of acquisitions and disposals of subsidiaries		
Derivative financial instruments	(1,752)	31,336
Other assets	14,472	13,785
Trade and other receivables	(276,062)	(31,409)
Inventories	(36,488)	(43,929)
Trade and other payables	239,520	45,386
Provisions for other liabilities and charges	(930)	(610)
Cash used in / (generated from) operations	(52,485)	37,220
Income tax paid	(5,265)	(598)
Net cash (used in) / generated from operating activities	(57,750)	36,622
Cash flows from investing activities		
Purchases of property, plant & equipment	(20,460)	(40,742)
Investment in joint ventures	(1,016)	(7,634)
Acquisition of a subsidiary, net of cash received	(18)	-
Interest received	554	1,320
Dividends received from associates	687	585
Net cash (used in) / generated from investing activities	(20,253)	(46,471)
Cash flows from financing activities		
Proceeds from borrowings	156,190	43,028
Repayments of borrowings	(78,027)	(25,305)
Interest paid	(8,728)	(4,648)
Bank balances and deposits pledged with banks for bank loans	(1,340)	6,857
Net cash generated from / (used in) financing activities	68,095	19,932
Net decrease in cash and cash equivalents	(9,908)	10,083
Cash and cash equivalents at beginning of year	(30,200)	17,365
Cash and bank balances at end of financial period	(40,108)	27,448
Cash and cash equivalents comprise:		
Cash and bank balances	81,668	38,034
Bank balances and deposits pledged with banks for bank loans	(8,464)	(3,648)
Bank overdrafts	(113,312)	(6,938)
Total	(40,108)	27,448

1.(d)(i) Statements of Changes in Equity for the period ended 31st March 2008
(in US \$'000, unless otherwise stated)

GROUP	Attributable to equity holders of the Company					Total Equity
	Share capital	Merger reserve	Share premium	Other reserves	Retained earnings	
Balance at 1 January 2008	2	3,529	85,816	(240)	164,152	253,259
Currency translation differences recognised directly in equity	-	-	-	(450)	-	(450)
Profit for the period	-	-	-	-	2,323	2,323
Total recognised income and expense for the period	-	-	-	(450)	2,323	1,873
Employee share option scheme: Value of services rendered	-	-	-	155	-	155
Cash flow hedges	-	-	-	(2,082)	-	(2,082)
Balance at 31st March 2008	2	3,529	85,816	(2,617)	166,475	253,205
Balance at 1 January 2007	2	3,529	85,816	222	146,747	236,316
Currency translation differences recognised directly in equity	-	-	-	27	-	27
Profit for the period	-	-	-	-	17,864	17,864
Total recognised income and expense for the period	-	-	-	27	17,864	17,891
Employee share option scheme: Value of services rendered	-	-	-	215	-	215
Balance at 31 March 2007	2	3,529	85,816	464	164,611	254,422

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

COMPANY	Attributable to equity holders of the Company				Total Equity
	Share capital	Share premium	Other reserves	Retained earnings	
Balance at 1 January 2008	2	85,816	947	47,704	134,469
Profit for the period	-	-	-	3,737	3,737
Total recognised income and expense for the period	-	-	-	3,737	3,737
Employee share option scheme: Value of services rendered	-	-	155	-	155
Balance at 31st March 2008	2	85,816	1,102	51,441	138,361
Balance at 1 January 2007	2	85,816	41	23,009	108,868
Profit for the period	-	-	-	(1,423)	(1,423)
Total recognised income and expense for the period	-	-	-	(1,423)	(1,423)
Employee share option scheme: Value of services rendered	-	-	214	-	214
Balance at 31 March 2007	2	85,816	255	21,586	107,659

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 period compared with the last audited financial statements as at 31 December 2007.

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.

- IFRIC 11, IFRS 2 – Group and Treasury Share Transactions (effective from 1 March 2007)
- IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction' (effective from 1 January 2008).
- IFRIC 12, 'Service concession arrangements' (effective from 1 January 2008).

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

6. Earning per Ordinary Share

	Jan - Mar 2008	Jan - Mar 2007
(a) Based on weighted average number of ordinary shares on issue (US cents per share)	0.18	1.38
(b) On fully diluted basis (US cents per share)	0.18	1.37

7. Net Asset Value

	Group		Company	
	31-Mar-08	31-Dec-07	31-Mar-08	31-Dec-07
Net asset value per ordinary share based on issued share capital (US cents per share)	19.59	19.59	10.70	10.40

8. Review of Performance of the Group

1st Quarter ended March 31, 2008 (Q1 2008) compared to the 1st Quarter ended March 31, 2007 (Q1 2007)

	Jan - Mar 2008	Jan - Mar 2007	% Increase/ (Decrease)
Volume - Mts million	4.88	3.57	36.6
Average Sales Value per MT - US\$	478.35	281.15	70.1
Average Purchase Cost per MT US\$ (note a)	471.11	264.97	77.8
Gross Contribution - US\$ million (note b)	10.5	35.4	(70.5)
Gross Contribution per MT - US\$	2.14	9.93	(78.4)
Revenue - US\$ million	2,361.8	1,015.7	N/M
Profit before Tax - US\$ million	(2.8)	22.3	N/M
Profit After tax US\$ mill	2.3	17.9	(87.0)
Earnings per Share			
- Basic US cents per share	0.18	1.38	(87.0)
- Diluted US cents per share	0.18	1.37	(87.0)

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

In 1Q 2008, the Group achieved vigorous growth in sales volumes of 36.6% with an increase of 1.31 million metric tons as compared to 1Q2007. This increase was achieved through greater wholesale volumes in the ports of Singapore and Rotterdam and new business opportunities in the Gulf of Mexico and in Fujairah.

Oil prices were higher in 1Q2008 compared to 1Q2007 and there was a steep increase in our average sales value per metric ton in 1Q2008 by 70.1% at US\$478 per metric ton compared to US\$281 per metric ton in 1Q2007. The increase in purchase costs in 1Q2008 was 77.8% at US\$471 per metric ton compared to US\$265 per metric ton in 1Q2007.

Due to the above factors our Group achieved a revenue growth of 132.5% from US\$1.01billion in the 1st quarter 2007 to US\$2.36 billion in 1st quarter 2008.

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

Gross contribution decreased by US\$24.99 million from US\$35.45 million in 1Q2007 to US\$10.46 million in 1Q2008. The Gross contribution per metric ton decreased by 78.4% from US\$9.93 in 1Q2007 to US\$2.14 in 1Q2008. The above reduction is mainly on account of reduced fuel oil margins in Americas and Singapore. Fuel oil prices in major ports world wide dropped affecting the substantial inventory held by the Group. Markets in the Americas were affected by refinery problems in California commencing in late December 2007 and extending up to the middle of February 2008 causing an uncharacteristic spurt in fuel oil supplies and a sharp drop in prices. Port congestion at various ports also resulted in increased demurrage costs. The group's profitability was also impacted by hedge losses on crude oil derivatives whose price movements were more rapid than the movements in the Group's underlying inventory of fuel oil.

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 between 1Q2008 and 1Q2007 in these and other expense heads are explained below:

Barging and Pipeline Costs:

Barging and pipeline costs increased by US\$ 3.29 million or 25.6%. During the 1st Quarter 2008 the Group deployed additional barges in Rotterdam, Gulf of Mexico and Fujairah as a result of which we had additional expenses amounting to US\$2.5 million.

Chartering expenses:

Chartering expenses increased by US\$ 5.01 million or 139.2% and is consistent with the increase in chartering income which increased by US\$7.2 million during the same period. During the 1st Quarter 2008 the Group had used its vessels mainly to service external customers which explain the increased incomes and costs.

Demurrage costs:

Demurrage cost increased by US\$9.4 million or 233.6% and is consistent with the increase in demurrage income which increased by US\$7.13 million. Berth congestion in several ports in the Americas was the main reason.

Other expenses:

Other expenses increased by US\$2.5 million or 38.9%. Expenses increased due to additional insurance charges, surveyor and analysis costs, and letter of credit charges. This was partially the impact of the rising prices of oil and the addition of several new entities which were acquired and consolidated during the second half of last year resulting in increased expenses.

Depreciation and Amortization

Depreciation and amortization increased by US\$ 1.7 million or 140.4% mainly because of the increased depreciation on the additional investments made in vessels and terminals during the later part of 2007.

Finance Costs

Finance costs increased by US\$4.08 million mainly on account of increased level of short term borrowings as a result of steep increase in oil prices and partly due to increase in long term borrowings.

Share of Associates and Joint Ventures results-Net

The Group's share from profits of associates and joint ventures decreased from US\$4.5 million in Q12007 to US\$0.1 million in Q12008. The main contributors of last year, IPC USA and Galaxy faced unfavorable market conditions and reported losses for the current period.

Income Tax expense

The Group's income tax expense reduced by US\$9.53 million during the current period as compared to the previous period as a result of losses in high tax jurisdictions.

Consolidated Balance Sheet

The Group's total assets increased by 28.1% from US\$ 1.22 billion as at end December 2007 to US\$ 1.57 billion as at end March 2008. The increase can be attributed to the Group's current assets which increased as a result of higher volumes and higher oil prices in 1Q2008.

The Group's receivables (no. of days of debtors) decreased to 28.0 days as of end March2008 compared to 30.8days as of end December 2007. The decrease in number of days is due to the higher wholesale volumes sold with shorter payment terms.

Inventory (no. of days of stock) decreased to 16.7 days compared to 27.6 days as of end December 2007. Trade payables (no. of days of payables) decreased to 21.1 days compared to 21.4 days as of end December 2007. Although the oil prices increased sharply the Group's overall inventory volumes reduced mainly in the US and Rotterdam as a result of lower cargo on water as compared to December 2007.

The other current assets reduced by US\$ 14.2 million due to subsequent capitalization of the advances paid for the purchase of property in Chennai, India and due to reduction in the advances made to suppliers of marine fuel.

Investments in property plant and equipment increased to US\$212.3 million in March2008 from US\$194.6 million as of end December 2007 mainly due to the acquisition of property in Chennai, India and further capital expenses on our vessels and Terminals.

Borrowings increased to US\$ 731.8 million as at end March 2008 compared to US\$ 623.6 million as at end December 2007 (Refer to Note 1 (b) (ii)). The net debt to equity ratio increased to 289% in March compared to 246 % as at end December 2007 whereas the net long term debt to equity ratio increased to 69% as at end March 2008 compared to 64% as at end December 2007.

Working capital was US\$ 149.33 million as at end March 2008 against US\$ 161.91 million at end December 2007 and shareholders' funds remain unchanged for the aforesaid periods.

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.

Not applicable

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. A final dividend of US\$6.463 million (US\$0.5cents per share) relating to 2007 was approved by the shareholders at the Annual General Meeting on April 25th 2008 and is payable on 30th May 2008.

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 31st March 2008, 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 - Mar 2008– (US\$' 000)	Jan - Mar 2008– (US\$' 000)
Itochu Corporation	-	191
Andorra Service Limited Hong Kong	510	-
Pebble Beach Shipping	1,349	-
Baron S Shipping Corporation	855	-
Total	2,714	191

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 1st quarter ended 31st March 2008 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.