



Chemoil Energy Limited
Unaudited Financial Information for the period ended 31st March 2009

1. (a)(i) Income Statement for the period ended 31st March 2009
(In US\$'000, unless otherwise stated)

	GROUP		
	Jan – Mar 2009	Jan – Mar 2008	% Increase/ (Decrease)
Revenue	981,545	2,361,776	(58)
Other gains/(losses) – net	(21,307)	(6,672)	N/M
	960,238	2,355,104	(59)
Expenses			
Inventories recognized as an expense	876,604	2,276,666	(61)
Barging and pipelines costs	15,049	16,129	(7)
Chartering and other shipping related expenses	5,503	8,617	(36)
Rentals for office premises, storage tanks and motor vehicles	9,170	11,842	(23)
Demurrage costs	3,874	13,466	(71)
Employee benefits	12,399	5,896	N/M
Marketing and communication expenses	1,966	1,298	51
Service and commission expenses	3,863	3,358	15
Other expenses	14,032	9,071	55
Depreciation and amortization	5,104	2,930	74
Finance expense	4,737	8,728	(46)
Total expenses	952,301	2,358,001	(60)
Share of results of associates and joint ventures - net	3,502	110	N/M
Profit before income tax	11,439	(2,787)	N/M
Income tax (expense) / credit	(3,487)	5,110	N/M
Profit for the period	7,952	2,323	N/M
Profit attributable to:			
Owners of the Company	8,845	2,323	N/M
Minority interest	(893)	-	N/M
	7,952	2,323	

N/M = Not meaningful

1. (a) (ii) Statement of Comprehensive Income for the period ended 31st March 2009
(In US\$'000, unless otherwise stated)

	GROUP		
	Jan – Mar 2009	Jan – Mar 2008	% Increase/ (Decrease)
Profit for the period	7,952	2,323	N/M
Other comprehensive income:			
Income/expenses recognised directly in equity			
Cash flow hedges	856	(2,082)	N/M
Currency translation differences	(7,440)	(450)	N/M
Other comprehensive income for the period	(6,584)	(2,532)	N/M
Total comprehensive income for the period	1,368	(209)	N/M
Total comprehensive income attributable to:			
Owners of the Company	2,272	(209)	N/M
Minority interest	(904)	-	N/M
	1,368	(209)	N/M

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

	GROUP		
	Jan – Mar 2009	Jan – Mar 2008	% Increase/ (Decrease)
<u>Other gains/(losses) – net includes the following:</u>			
(a) Derivatives financial instruments – net (See note a and b)	(21,880)	(21,236)	3
(b) Insurance claims (See note c)	-	14,387	N/M
(c) Fair value losses on other financial assets at fair value through profit or loss	(142)	(385)	(63)
<u>The income statement includes the following income / expenses</u>			
(a) Interest income	209	554	(62)
(b) Foreign exchange gain	331	16	N/M
(c) Loss on disposal of property plant and equipment	(37)	(8)	N/M
(d) Allowance for doubtful debts	(1,490)	(380)	N/M

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\$ 21.9 million from its derivative financial instruments during 1Q 2009 as compared to US\$ 21.2 million during 1Q 2008. Against these hedging losses, the Group recorded margins on fuel sales which are already recognized 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 as at 31st March 2009
(in US\$'000, unless otherwise stated)

	Group			Company		
	31-Mar-09	31-Dec-08	% Increase/ (Decrease)	31-Mar-09	31-Dec-08	% Increase/ (Decrease)
ASSETS						
Current assets						
Cash and cash equivalents	45,152	77,521	(42)	1,704	8,052	(79)
Derivative financial instruments	1,333	41,934	(97)	-	-	N/M
Other financial assets at fair value through profit or loss	526	668	(21)	526	668	(21)
Income tax recoverable	53	669	(92)	-	-	-
Other current assets	36,268	25,295	43	419	1,444	(71)
Trade and other receivables	415,406	248,899	67	259,383	238,761	9
Inventories	180,554	122,913	47	-	-	-
	679,292	517,899		262,032	248,925	
Non-current assets						
Other non-current assets	2,722	2,700	1	-	-	-
Investments in associates	41,538	38,611	8	14,691	14,691	-
Investments in joint ventures	23,147	17,571	32	16,462	11,462	44
Investments in subsidiaries	-	-	-	51,292	51,292	-
Intangible assets	15,147	16,576	(9)	-	-	-
Property, plant and equipment	223,236	233,048	(4)	1,396	18	N/M
Deferred income tax assets	11,010	13,261	(17)	-	-	-
	316,800	321,767		83,841	77,463	
Total assets	996,092	839,666		345,873	326,388	
LIABILITIES						
Current liabilities						
Trade and other payables	231,751	208,566	11	60,953	36,732	66
Derivative financial instruments	9,238	11,278	(18)	4,765	4,793	(1)
Current income tax liabilities	2,525	2,121	19	-	-	-
Borrowings	270,884	126,350	N/M	80,207	80,208	-
Provisions for other liabilities and charges	2,894	3,579	(19)	-	-	-
	517,292	351,894		145,925	121,733	
Non-current liabilities						
Borrowings	179,989	187,695	(4)	39,492	40,366	(2)
Derivative financial instruments	4,443	6,212	(28)	4,601	5,418	(15)
Deferred income tax liabilities	2,767	2,587	7	-	-	-
	187,199	196,494		44,093	45,784	
Total liabilities	704,491	548,388		190,018	167,517	
NET ASSETS	291,601	291,278		155,855	158,871	
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	(1,163)	-	-	-	-	-
Merger reserve	3,529	3,529	-	-	-	-
Other reserves	(15,180)	(8,725)	74	517	1,574	(67)
Retained earnings	213,604	204,759	4	69,520	71,479	(3)
	286,608	285,381		155,855	158,871	
Minority interest	4,993	5,897	(15)	-	-	-
Total equity	291,601	291,278		155,855	158,871	

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

	31-Mar-09		31-Dec-08	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	268,119	2,765	122,265	4,085
Amount repayable after one year	179,917	72	187,607	88
Total	448,036	2,837	309,872	4,173

Details of any collateral	31-Mar-09	31-Dec-08
Secured on current assets of subsidiaries	79,858	-
Secured on property, plant and equipment and lease rentals of subsidiaries	203,678	210,172
Secured against trade receivables under a receivables purchase agreement of a subsidiary (See Note a below)	142,700	77,962
Secured on bank balances and deposits, trade and other receivables and inventories of subsidiaries	21,624	21,509
Secured on motor vehicles of a subsidiary (See Note b below)	176	229
Total	448,036	309,872

Note:

- a) The gross amount of trade receivables secured under the receivables purchase agreement is US\$ 150,479 (2008:US\$ 126,199)
- b) The carrying amount of motor vehicles pledged as security for borrowings is US\$ 283 (2008: US\$ 228)

1.(c) Statement of Cash Flows for the period ended 31st March 2009
(in US\$'000, unless otherwise stated)

	Jan – Mar 2009	Jan – Mar 2008
Cash flows from operating activities		
Profit for the period	7,952	2,323
Adjustments for:		
Income tax expense	3,487	(5,110)
Share option expense	118	155
Depreciation and amortization	5,104	2,930
Net loss on disposals of property, plant and equipment	37	8
Fair value losses on other financial assets at fair value through profit or loss	142	385
Unrealized translation losses	612	-
Share of results of associates and joint ventures	(3,502)	(110)
Interest income	(209)	(554)
Finance expense	4,737	8,728
	18,478	8,755
Changes in working capital, net of effects of acquisitions and disposals of subsidiaries		
Derivative financial instruments	37,648	(1,752)
Other assets	(11,057)	14,472
Trade and other receivables	(166,508)	(276,062)
Inventories	(57,641)	(36,488)
Trade and other payables	23,185	239,520
Provisions for other liabilities and charges	(685)	(930)
Cash used in operations	(156,580)	(52,485)
Income tax paid	(36)	(5,265)
Net cash used in operating activities	(156,616)	(57,750)
Cash flows from investing activities		
Advance for purchase of property, plant and equipment	-	(20,460)
Purchases of property, plant and equipment	(1,746)	-
Proceeds from disposal of property, plant and equipment	48	-
Purchase of intangibles	(193)	-
Investment in joint ventures	(5,000)	(1,016)
Acquisition of a subsidiary, net of cash received	-	(18)
Interest received	209	554
Dividends received from associates and joint ventures	-	687
Net cash used in investing activities	(6,682)	(20,253)
Cash flows from financing activities		
Proceeds from borrowings	144,595	156,190
Repayments of borrowings	(8,023)	(78,027)
Interest paid	(4,737)	(8,728)
Bank balances and deposits pledged with banks for bank loans	2,107	(1,340)
Purchase of treasury shares	(1,163)	-
Net cash generated from financing activities	132,779	68,095
Net decrease in cash and cash equivalents	(30,519)	(9,908)
Cash and cash equivalents at beginning of financial period	49,619	(30,200)
Cash and cash equivalents at end of financial period	19,100	(40,108)
Cash and cash equivalents comprise:		
Cash and cash equivalents	45,152	81,668
Bank balances and deposits pledged with banks for bank loans	(8,055)	(8,464)
Bank overdrafts	(17,997)	(113,312)
Total	19,100	(40,108)

1.(d)(i) Statements of Changes in Equity for the period ended 31st March 2009
(in US \$'000, unless otherwise stated)

GROUP	Share capital	Treasury shares held by Trust¹	Merger reserve	Share premium	Other reserves	Retained earnings	Total	Minority interests	Total equity
Balance at 1 January 2009	2	-	3,529	85,816	(8,725)	204,759	285,381	5,897	291,278
Purchase of treasury shares	-	(1,163)	-	-	-	-	(1,163)	-	(1,163)
Employee share option scheme: Value of services rendered	-	-	-	-	118	-	118	-	118
Total comprehensive income/ (expense) for the period	-	-	-	-	(6,573)	8,845	2,272	(904)	1,368
Balance at 31 March 2009	2	(1,163)	3,529	85,816	(15,180)	213,604	286,608	4,993	291,601
Balance at 1 January 2008	2	-	3,529	85,816	(240)	164,152	253,259	-	253,259
Employee share option scheme: Value of services rendered	-	-	-	-	155	-	155	-	155
Total comprehensive income/ (expense) for the period	-	-	-	-	(2,532)	2,323	(209)	-	(209)
Balance at 31 March 2008	2	-	3,529	85,816	(2,617)	166,475	253,205	-	253,205

COMPANY	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Balance at 1 January 2009	2	85,816	1,574	71,479	158,871
Contribution to Trust ¹	-	-	(1,175)	-	(1,175)
Employee share option scheme: Value of services rendered	-	-	118	-	118
Total comprehensive expense for the period	-	-	-	(1,959)	(1,959)
Balance at 31 March 2009	2	85,816	517	69,520	155,855
Balance at 1 January 2008	2	85,816	947	47,704	134,469
Employee share option scheme: Value of services rendered	-	-	155	-	155
Total comprehensive income for the period	-	-	-	3,737	3,737
Balance at 31 March 2008	2	85,816	1,102	51,441	138,361

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) (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 31 March 2009, the Company's issued and paid-up capital (including treasury shares) comprised 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 1,287,762,000 (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 4,850,000 shares in the Company as at 31 March 2009. Such shares are designated as treasury 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.

None.

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- Mar 2009	Jan- Mar 2008
(a) Based on weighted average number of ordinary shares on issue (US cents per share)	0.69	0.18
(b) On fully diluted basis (US cents per share)	0.69	0.18

7. Net Asset Value

	Group		Company	
	31-Mar-09	31-Dec-08	31-Mar-09	31-Dec-08
Net asset value per ordinary share based on issued share capital (US cents per share)	22.17	22.08	12.06	12.29

8. Review of Performance of the Group

1st Quarter ended 31st March 2009 (1Q 2009) compared to the 1st Quarter ended 31st March 2008 (1Q 2008)

	Jan- Mar 2009	Jan- Mar 2008	% Increase / (Decrease)
Volume - MTs million	3.76	4.88	(23.0)
Average Sales Value per MT - US\$	254.02	478.35	(46.9)
Average Purchase Cost per MT - US\$ (note a)	239.04	471.11	(49.3)
Gross Contribution - US\$ million (note b)	32.9	10.5	N/M
Gross Contribution per MT - US\$	8.74	2.14	N/M
Revenue - US\$ million	981.5	2,361.8	(58.4)
Profit / (loss) before Tax - US\$ million	11.4	(2.8)	N/M
Profit after tax and minority interests - US\$ mill	8.8	2.3	N/M
Earnings per Share			
- Basic US cents per share	0.69	0.18	N/M
- Diluted US cents per share	0.69	0.18	N/M

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. 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

In 1Q 2009, the Group achieved sales volumes of 3.8 million metric tons as compared to 4.9 million metric tons in 1Q 2008, a decrease of 23%. The principal reduction was in wholesale and ex-wharf volumes in Asia and Europe and reduced retail sales in the Americas due to the global economic slowdown. This was partially compensated by increased retail sales in Asia and Europe.

Oil prices were lower in 1Q 2009 compared to 1Q 2008 which decreased our average sales value per metric ton in 1Q 2009 by 47% to US\$ 254 per metric ton compared to US\$ 478 per metric ton in 1Q 2008. The purchase costs in 1Q 2009 decreased by 49% to US\$ 239 per metric ton compared to US\$ 471 per metric ton in 1Q 2008.

Due to the above factors, the Group's revenue was lower by 58% at US\$ 982 million in 1Q 2009 against US\$ 2.36 billion in 1Q 2008.

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

Gross contribution increased by US\$ 22.4 million to US\$ 32.9 million in 1Q 2009 from US\$ 10.5 million in 1Q 2008.

The Gross contribution per metric ton was US\$ 8.74 in 1Q 2009 compared to US\$ 2.14 in 1Q 2008 as we were able to take advantage of arbitrage opportunities in certain ports and sales segments. Additionally, we were able to monitor and achieve greater controls on direct costs such as demurrage and chartering costs.

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 1Q 2009 and 1Q 2008 in these and other expense heads are explained below:

Barging and Pipeline Costs

Barging and pipeline costs decreased by US\$ 1.1 million or 7%. The reduction was mainly due to reduced retail volumes in the Americas.

Chartering expenses

Chartering expenses decreased by US\$ 3.1 million or 36% as a result of the reduced level of chartering activities and charter rates.

Rentals on Operating leases

Rentals on operating leases were lower by US\$ 2.7 million or 23% as the group did not require the use of temporary floating storage facilities in Asia in 1Q 2009 as compared to 1Q 2008.

Demurrage costs

Demurrage cost decreased by US\$ 9.6 million or 71% as the group did not suffer the same extent of berth congestion in the Americas as compared to 1Q 2008.

Employee benefits & other expenses

Several costs such as employee benefits, marketing and communication expenses, service and commission expenses, other expenses and depreciation and amortization have increased in 1Q 2009 due to the consolidation of an additional subsidiary since June 2008.

Finance Costs

Finance costs decreased by US\$ 4.0 million or 46% mainly on account of decreased level of short term borrowings as compared to 1Q 2008.

Share of Associates and Joint Ventures results-Net

The Group's share of profits from associates and joint ventures improved to US\$ 3.5 million in 1Q 2009 against US\$ 0.1 million in 1Q 2008 mainly as a result of better earnings from an associate.

Income Tax expense

In 1Q 2009, the Group had a tax charge of US\$ 3.5 million as compared to a tax credit of US\$ 5.1 million in 1Q 2008. This tax credit was due to certain non taxable incomes and tax losses in certain jurisdictions in 1Q 2008.

Consolidated Statement of Financial Position

The Group's total assets increased by 19% to US\$ 996 million as at end March 2009 from US\$ 840 million as at end December 2008. The increase can be attributed to the Group's current assets which increased due to higher levels of inventory and receivables as compared to 2008.

<u>Asset Turnover ratios</u>	1Q 2009	FY 2008
Inventory Days (average method)	15.6	18.3
Accounts Receivable Days(average method)	30.5	28.9
Accounts Payable Days(average method)	21.6	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\$ 11.0 million due to increases in the advances made to suppliers of marine fuel.

Investments in property plant and equipment decreased to US\$ 223.2 million in March 2009 from US\$ 233.0 million as of end December 2008 due to depreciation and translation adjustments.

Borrowings increased to US\$ 450.9 million as at end March 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 155% as at end March 2009 compared to 108 % as at end December 2008 whereas the long term debt to equity ratio decreased to 62% as at end March 2009 compared to 64% as at end December 2008.

Working capital was US\$ 162 million as at end March 2009 against US\$ 166 million as at end December 2008 and shareholders' funds increased by US\$ 0.3 million in March 2009 as compared to December 2008.

Consolidated Cash Flow Statement

As of March 2009, the Group's net cash used in operating activities was US\$ 156.6 million compared to US\$ 57.8 million as at end March 2008.

As of March 2009, the Group's net cash used in investing activities was US\$ 6.7 million compared to US\$ 20.3 million as at end March 2008.

As of March 2009, the Group's net cash generated from financing activities was US\$ 132.8 million as compared to US\$ 68.1 million as at end March 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 financial situation has led to a contraction of credit and liquidity which has affected economic activity worldwide. It has had a negative impact on the business of our customers, mainly the shipping industry, and affected our sales volumes of fuel. In addition, the contraction of credit and liquidity may impact our access to trade financing. We believe we currently have sufficient and diversified banking relationships that will allow us to finance our operations.

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\$ 6.5 million (US\$0.005 or one half of one US cent per ordinary per share) relating to 2008 was approved by the shareholders at the Annual General Meeting on 24th April 2009 and is payable on 27th May 2009.

b) (i) Amount per share / rate %

Not applicable

b) (ii) Previous corresponding period /rate %

See above.

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).

Paid out of Hong Kong – Tax exempt.

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.

5th May 2009

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 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 Petroluem Japan	-	1,943
Itochu Petroleum Company Singapore Ltd	-	12,720
Itochu Enex Ltd	-	69
Pebble Beach Shipping	866	-
Baron Shipping Corporation	856	-
American Healthnet Inc	492	-
Total	2,214	14,732

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 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