Chemoil Energy Limited

Unaudited Financial Information for the 4th Quarter and Full Year ended 31st December 2009

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

	GROUP			GROUP		
	Jan – Dec 2009	**Jan – Dec 2008**	**% Increase / (Decrease)**	**Oct – Dec 2009**	**Oct – Dec 2008**	**% Increase / (Decrease)**
Revenue	5,750,246	8,662,129	(34)	1,839,764	1,267,394	45
Other gains / (losses) – net	(137,817)	134,584	N/M	(33,742)	191,675	N/M
Revenue and other gains / (losses) – net	**5,612,429**	**8,796,713**	**(36)**	**1,806,022**	**1,459,069**	**24**
Expenses						
- Inventories recognised as an expense	5,283,122	8,429,287	(37)	1,715,613	1,377,591	25
- Barging and pipelines costs	67,352	69,172	(3)	18,157	17,145	6
- Chartering and other shipping related expenses	23,741	29,651	(20)	6,865	3,180	N/M
- Rentals for office premises, storage tanks and motor vehicles	36,638	39,381 *	(7)	8,765	9,486 *	(8)
- Demurrage costs	11,614	27,259	(57)	1,508	4,017	(62)
- Employee benefits	48,108	42,493	13	13,109	16,907	(22)
- Marketing and communication expenses	7,355	7,801	(6)	1,814	2,358	(23)
- Service and commission expenses	16,602	19,087 *	(13)	5,025	4,477 *	12
- Other expenses	61,585	53,452	15	14,281	12,137	18
- Depreciation and amortisation	20,176	14,873	36	4,822	4,195	15
- Finance expense	21,335	36,361	(41)	6,024	8,198	(27)
Total expenses	**5,597,628**	**8,768,817**	**(36)**	**1,795,983**	**1,459,691**	**23**
Share of results of associates and joint ventures - net	11,958	6,326	89	3,475	3,967	(12)
Profit before income tax	**26,759**	**34,222**	**(22)**	**13,514**	**3,345**	**N/M**
Income tax (expense) / credit **	(14,665)	11,977	N/M	(8,791)	8,116	N/M
Profit for the period	**12,094**	**46,199**	**(74)**	**4,723**	**11,461**	**(59)**
Attributable to:						
Owners of the Company	11,467	47,069	(76)	2,943	12,271	(76)
Minority interest	627	(870)	N/M	1,780	(810)	N/M
	12,094	**46,199**	**(74)**	**4,723**	**11,461**	**(59)**

N/M = Not meaningful
* = Comparatives are reclassified to conform to current period's presentation
** = Please refer to note on Page # 15

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

	GROUP			GROUP		
	Jan – Dec 2009	**Jan – Dec 2008**	**% Increase / (Decrease)**	**Oct – Dec 2009**	**Oct – Dec 2008**	**% Increase / (Decrease)**
Profit for the period	**12,094**	**46,199**	**(74)**	**4,723**	**11,461**	**(59)**
Other comprehensive income:						
Income / (expenses) recognised directly in equity						
Cash flow hedges	3,631	(9,332)	N/M	1,408	(7,415)	N/M
Currency translation differences	3,978	(748)	N/M	1,177	(1,036)	N/M
Other comprehensive income / (expense) for the period	**7,609**	**(10,080)**	**N/M**	**2,585**	**(8,451)**	**N/M**
Total comprehensive income for the period	**19,703**	**36,119**	**(45)**	**7,308**	**3,010**	**N/M**
Total comprehensive income attributable to:						
Owners of the Company	18,725	37,957	(51)	4,468	4,365	2
Minority interest	978	(1,838)	N/M	2,840	(1,355)	N/M
	19,703	**36,119**	**(45)**	**7,308**	**3,010**	**N/M**

N/M = Not meaningful

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

	GROUP			GROUP		
	Jan – Dec 2009	**Jan – Dec 2008**	**% Increase / (Decrease)**	**Oct - Dec 2009**	**Oct - Dec 2008**	**% Increase / (Decrease)**
Other gains/(losses) – net includes the following:						
(a) Derivatives financial instruments – net (See note a and b)	(152,891)	113,835	N/M	(47,516)	193,953	N/M
(b) Insurance claims (See note c)	-	14,570	N/M	-	-	-
(c) Fair value gains / (losses) on other financial assets at fair value through profit or loss	358	(936)	N/M	(53)	82	N/M
The income statement includes the following income / (expenses)						
(a) Interest income	453	1,991	(77)	82	164	(50)
(b) Foreign exchange gain/(loss)	(399)	4,573	N/M	(122)	(2,499)	(95)
(c) (Loss) / gain on disposal of property plant and equipment	(34)	551	N/M	(11)	(29)	(62)
(d) Allowance for doubtful debts	(3,204)	(1,715)	87	(53)	(687)	(92)
(e) Gain on disposal of subsidiary (See note d)	13,397	-	N/M	13,397	-	N/M
(f) Adjustments for (under) / over provision of tax in respect of prior years	(953)	(289)	N/M	(953)	(289)	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 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$48 million from its derivative financial instruments during 4Q 2009 as compared to a gain of US$194 million during 4Q 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.

d) It represents the profit before tax and minority interest on the sale of a non-core subsidiary.

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

	Group			Company		
	31-Dec-09	**31-Dec-08**	**% Increase/ (Decrease)**	**31-Dec-09**	**31-Dec-08**	**% Increase/ (Decrease)**
ASSETS						
Current assets						
Cash and cash equivalents	70,379	77,521	(9)	787	8,052	(90)
Derivative financial instruments	206	41,934	N/M	-	-	-
Other financial assets at fair value through profit or loss	1,026	668	54	1,026	668	54
Income tax recoverable	-	669	N/M		-	-
Other current assets	50,952	25,295	N/M	181	1,444	(87)
Trade and other receivables	582,662	248,899	N/M	110,438	244,072	(55)
Inventories	359,377	122,913	N/M	-	-	-
	1,064,602	**517,899**	**N/M**	**112,432**	**254,236**	**(56)**
Non-current assets						
Trade and other receivables	7,448	-	N/M	-	-	-
Other non-current assets	2,996	2,700	11	-	-	-
Investments in associates	42,314	38,611	10	14,691	14,691	-
Investments in joint ventures	28,316	17,571	61	16,462	11,462	44
Investments in subsidiaries	-	-	-	211,921	45,981	N/M
Intangible assets	17,174	16,576	4	-	-	-
Property, plant and equipment	232,787	233,048	-	13	18	(28)
Deferred income tax assets	9,009	13,261	(32)	-	-	-
	340,044	**321,767**	**6**	**243,087**	**72,152**	**N/M**
Total assets	**1,404,646**	**839,666**	**67**	**355,519**	**326,388**	**9**
LIABILITIES						
Current liabilities						
Trade and other payables	326,735	208,566	57	62,580	36,732	70
Derivative financial instruments	26,142	11,278	N/M	3,231	4,793	(33)
Current income tax liabilities	5,624	2,121	N/M	-	-	-
Borrowings	557,416	126,350	N/M	80,208	80,208	-
Provisions for other liabilities and charges	5,334	3,579	49	-	-	-
	921,251	**351,894**	**N/M**	**146,019**	**121,733**	**20**
Non-current liabilities						
Borrowings	165,238	187,695	(12)	36,875	40,366	(9)
Derivative financial instruments	3,986	6,212	(36)	3,686	5,418	(32)
Deferred income tax liabilities	4,542	2,587	76	-	-	-
Provisions for other liabilities and charges	5,466	-	N/M	-	-	-
	179,232	**196,494**	**(9)**	**40,561**	**45,784**	**(11)**
Total liabilities	**1,100,483**	**548,388**	**N/M**	**186,580**	**167,517**	**11**
NET ASSETS	**304,163**	**291,278**	**4**	**168,939**	**158,871**	**6**
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	(570)	(8,725)	(93)	750	1,574	(52)
Retained earnings	209,763	204,759	2	82,371	71,479	15
	297,310	**285,381**	**4**	**168,939**	**158,871**	**6**
Minority interest	6,853	5,897	16	-	-	-
Total equity	**304,163**	**291,278**	**4**	**168,939**	**158,871**	**6**

N/M = Not meaningful

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

	31-Dec-09		31-Dec-08	
	Secured	**Unsecured**	**Secured**	**Unsecured**
Amount repayable in one year or less, or on demand	554,187	3,229	122,265	4,085
Amount repayable after one year	164,820	418	187,607	88
Total	719,007	3,647	309,872	4,173

Details of any collateral	**31- Dec-09**	**31-Dec-08**
Secured on current assets of subsidiaries	327,482	21,509
Secured against trade receivables under a receivables purchase agreement of a subsidiary (See Note a below)	199,042	77,962
Secured on property, plant and equipment and lease rentals of subsidiaries	192,288	210,172
Secured on other property, plant and equipment of a subsidiary (See Note b below)	195	229
Total	719,007	309,872

Note:

a) The gross amount of trade receivables secured under the receivables purchase agreement is US$235,672 (2008: US$126,199)
b) The carrying amount of motor vehicles pledged as security for borrowings is US$226 (2008: US$211)

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

	GROUP			
	Jan – Dec 09	Jan – Dec 08	Oct – Dec 09	Oct – Dec 08
Cash flows from operating activities				
Profit for the period	**12,094**	46,199	**4,723**	11,461
Adjustments for:				
Income tax expense / (credit)	14,665	(11,977)	8,791	(8,116)
Share option expense	851	627	409	162
Depreciation and amortization	20,176	14,873	4,822	4,195
Net loss / (gain) on disposals of property, plant and equipment	34	(551)	11	29
Gain on disposal of a subsidiary	(13,397)	-	(13,397)	-
Fair value (gains) / losses on other financial assets at fair value through profit or loss	(358)	936	53	(82)
Unrealised translation (gains) / losses	27	(6,110)	769	3,111
Share of results of associates and joint ventures	(11,958)	(6,326)	(3,475)	(3,967)
Interest income	(453)	(1,991)	(82)	(164)
Finance expense	21,335	36,361	6,024	8,198
	43,016	**72,041**	**8,648**	**14,827**
Changes in working capital, net of effects of acquisitions and disposals of subsidiaries				
Derivative financial instruments	57,997	(56,602)	26,700	8,921
Other assets	(28,297)	34,650	(18,647)	16,432
Trade and other receivables	(336,672)	227,430	(85,896)	370,255
Inventories	(236,483)	261,955	48,963	293,520
Trade and other payables	131,673	(118,166)	10,573	(246,158)
Provisions for other liabilities and charges	1,754	1,940	1,980	(2,595)
Cash (used in) / generated from operations	**(367,012)**	**423,248**	**(7,679)**	**455,202**
Income tax paid	(5,662)	(6,576)	(1,232)	1,193
Net cash (used in) / generated from operating activities	**(372,674)**	**416,672**	**(8,911)**	**456,395**
Cash flows from investing activities				
Purchases of property, plant and equipment	(6,633)	(29,459)	(721)	(2,941)
Proceeds from disposal of property, plant and equipment	266	9,145	180	176
Purchase of intangible assets	(1,434)	(1,260)	(52)	(340)
Proceeds from disposal of a subsidiary, net of cash disposed of	3,304	-	3,304	-
Investments in associates	-	(364)	-	(165)
Investment in joint ventures	(5,017)	(5,631)	-	(467)
Acquisition of a subsidiary, net of cash received	(4,137)	(3,803)	(4,137)	-
Other receivables	(3,293)	-	(767)	-
Interest received	453	1,991	82	164
Dividends received from associates	2,276	1,378	-	65
Dividends received from joint ventures	63	189	-	43
Net cash used in investing activities	**(14,152)**	**(27,814)**	**(2,111)**	**(3,465)**
Cash flows from financing activities				
Proceeds from borrowings	421,010	485,827	69,688	29,365
Repayments of borrowings	(126,703)	(749,005)	(56,865)	(423,746)
Purchase of treasury shares	(1,282)	-	-	-
Proceeds from re-issue of treasury shares	98	-	-	-
Interest paid	(21,335)	(36,361)	(6,024)	(8,198)
Bank balances and deposits pledged with banks for bank loans	(8,858)	(3,038)	(6,723)	(1,228)
Dividends paid to shareholders	(6,463)	(6,462)	-	-
Net cash generated from / (used in) financing activities	**256,467**	**(309,039)**	**76**	**(403,807)**
Net (decrease) / increase in cash and cash equivalents	**(130,359)**	**79,819**	**(10,946)**	**49,123**
Cash and cash equivalents at beginning of financial period	49,619	(30,200)	(69,794)	496
Cash and cash equivalents at end of financial period	**(80,740)**	**49,619**	**(80,740)**	**49,619**
Cash and cash equivalents:				
Cash and bank balances	70,379	77,521	70,379	77,521
Bank balances and deposits pledged with banks for bank loans	(19,020)	(10,162)	(19,020)	(10,162)
Bank overdrafts	(132,099)	(17,740)	(132,099)	(17,740)
Total	**(80,740)**	**49,619**	**(80,740)**	**49,619**

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

GROUP FULL YEAR	Share capital	Treasury shares held by Trust[1]	Merger reserve	Share premium	Other reserves	Retained earnings	Total	Minority interests	Total equity
	Attributable to the owners of the Company								
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	-	-	-	-	851	-	851	-	851
- Treasury shares re-issued	-	52	-	-	46	-	98	-	98
Dividend relating to 2008	-	-	-	-	-	(6,463)	(6,463)	-	(6,463)
Disposal of a subsidiary	-	-	-	-	-	-	-	(22)	(22)
Total comprehensive income for the period	-	-	-	-	7,258	11,467	18,725	978	19,703
Balance as at 31 December 2009	2	(1,230)	3,529	85,816	(570)	209,763	297,310	6,853	304,163
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	-	-	-	-	627	-	627	-	627
Dividend relating to 2007	-	-	-	-	-	(6,462)	(6,462)	-	(6,462)
Acquisition of subsidiaries	-	-	-	-	-	-	-	7,735	7,735
Total comprehensive income/ (expense) for the period	-	-	-	-	(9,112)	47,069	37,957	(1,838)	36,119
Balance as at 31 December 2008	2	-	3,529	85,816	(8,725)	204,759	285,381	5,897	291,278

[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 4TH QUARTER	Share capital	Treasury shares held by Trust[1]	Merger reserve	Share premium	Other reserves	Retained earnings	Total	Minority interests	Total equity
	Attributable to the owners of the Company								
Balance as at 1 October 2009	2	(1,230)	3,529	85,816	(2,504)	206,820	292,433	4,035	296,468
Employee share option scheme:									
- Value of services rendered	-	-	-	-	409	-	409	-	409
- Treasury shares re-issued	-	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	(22)	(22)
Total comprehensive income for the period	-	-	-	-	1,525	2,943	4,468	2,840	7,308
Balance as at 31 December 2009	2	(1,230)	3,529	85,816	(570)	209,763	297,310	6,853	304,163
Balance as at 1 October 2008	2	-	3,529	85,816	(981)	192,488	280,854	6,935	287,789
Employee share option scheme:									
- Value of services rendered	-	-	-	-	162	-	162	-	162
Acquisition of subsidiaries	-	-	-	-	-	-	-	317	317
Total comprehensive income/ (expense) for the period	-	-	-	-	(7,906)	12,271	4,365	(1,355)	3,010
Balance as at 31 December 2008	2	-	3,529	85,816	(8,725)	204,759	285,381	5,897	291,278

[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 FULL YEAR	Share capital	Share premium	Other reserves	Retained earnings	Total equity
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	-	-	851	-	851
Dividend relating to 2008	-	-	-	(6,463)	(6,463)
Total comprehensive income for the period	-	-	-	17,355	17,355
Balance as at 31 December 2009	2	85,816	750	82,371	168,939
Balance at 1 January 2008	2	85,816	947	47,704	134,469
Employee share option scheme: - Value of services rendered	-	-	627	-	627
Dividend relating to 2007	-	-	-	(6,462)	(6,462)
Total comprehensive income for the period	-	-	-	30,237	30,237
Balance as at 31 December 2008	2	85,816	1,574	71,479	158,871

[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 4TH QUARTER	Share capital	Share premium	Other reserves	Retained earnings	Total equity
Balance as at 1 October 2009	2	85,816	341	84,056	170,215
Employee share option scheme: - Value of services rendered	-	-	409	-	409
Total comprehensive expense for the period	-	-	-	(1,685)	(1,685)
Balance as at 31 December 2009	2	85,816	750	82,371	168,939
Balance as at 1 October 2008	2	85,816	1,412	79,123	166,353
Employee share option scheme: - Value of services rendered	-	-	162	-	162
Total comprehensive expense for the period	-	-	-	(7,644)	(7,644)
Balance as at 31 December 2008	2	85,816	1,574	71,479	158,871

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 December 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 31 December 2009, 217,622 treasury shares had been re-issued to employees under the Company's share option plan. Treasury shares held by the Trust as at 31 December 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 23, IAS 36.

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 – Dec 2009	Jan – Dec 2008	Oct – Dec 2009	Oct – Dec 2008
(a) Based on weighted average number of ordinary shares on issue (US cents per share)	0.890	3.641	0.228	0.949
(b) On fully diluted basis (US cents per share)	0.887	3.641	0.227	0.949

7. Net Asset Value

	Group		Company	
	31-Dec-09	31-Dec-08	31-Dec-09	31-Dec-08
Net asset value per ordinary share based on issued share capital (US cents per share)	23.00	22.08	13.07	12.29

8. Review of Performance of the Group

Full year ended 31st December 2009 (FY 2009) compared to the full year ended 31st December 2008 (FY 2008)
4th Quarter ended 31st December 2009 (4Q 2009) compared to the 4th Quarter ended 31st December 2008 (4Q 2008)

	Jan - Dec 2009	Jan - Dec 2008	% Increase / (Decrease)	Oct - Dec 2009	Oct - Dec 2008	% Increase / (Decrease)
Volume - MTs million	15.1	16.5	(8.5)	4.0	3.8	5.3
Retail volume – MTs million	8.9	8.4	6.0	2.3	2.2	4.5
Average Sales Value per MT - US$	372.49	518.16	(28.1)	455.16	327.07	39.2
Average Purchase Cost per MT US$ (note a)	359.70	504.43	(28.7)	443.51	314.20	41.2
Gross Contribution - US$ million (note b)	103.5	136.2	(24.0)	25.1	33.8	(25.7)
Gross Contribution per MT - US$	6.85	8.26	(17.1)	6.32	8.97	(29.5)
Revenue - US$ million	5,750.2	8,662.1	(33.6)	1,839.8	1,267.4	45.2
Profit before Tax - US$ million	26.8	34.2	(21.6)	13.5	3.3	N/M
Profit after tax US$ million	12.1	46.2	(73.8)	4.7	11.5	(59.1)
Profit after tax and minority interest US$ million	11.5	47.1	(75.6)	2.9	12.3	(76.4)
Earnings per Share						
- Basic (US cents per share)	0.890	3.641	(75.6)	0.228	0.949	(76.0)
- Diluted (US cents per share)	0.887	3.641	(75.6)	0.227	0.949	(76.1)

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 4Q 2009 was higher by 45% at US$1.84 billion as against US$1.27 billion for 4Q 2008. For the full year, the Group's revenue was lower by 34% at US$5.75 billion in 2009 against US$8.66 billion in 2008.

Volumes & Average prices

4th Quarter and Annual

The Group's sales volume for 4Q 2009 was 4 million metric tons as compared to 3.8 million metric tons in 4Q 2008, an increase of 5%. The increase mainly came from higher wholesale volumes in Asia and Americas.

The Group's sales volume for the full year 2009 was 15.1 million metric tons as compared to 16.5 million metric tons in 2008, a decrease of 9%. The reduction in volume for the full year 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 higher in 4Q 2009 compared to 4Q 2008 which increased the average sales value in 4Q 2009 by 39% at US$455 per metric ton compared to US$327 per metric ton in 4Q 2008. The increase in purchase costs in 4Q 2009 was 41% at US$444 per metric ton compared to US$314 per metric ton in 4Q 2008.

The average sales value per metric ton realised during full year 2009 was lower by 28% at US$372 per metric ton as compared to US$518 per metric in 2008. The lower prices during the year also pushed down our average purchase costs to US$360 in 2009 from US$504 in 2008, a decrease of 29%.

The above price differences for the quarter and the full year reflect the contrary trends in energy prices during the respective periods. Prices which were generally high in the first half of 2008 peaked in July 2008 and then witnessed a sharp drop in the 4th quarter of 2008. In 2009, prices were low at the beginning of the year and then showed a steady increase during the course of the year.

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

Gross contribution reduced by US$8.7 million or by 26% to US$25.1 million in 4Q 2009 from US$33.8 million in 4Q 2008. GCMT was lower at US$6.32 per metric ton in 4Q 2009 as compared to US$8.97 per metric ton in 4Q 2008.

Gross contribution decreased by US$32.7 million or by 24% to US$103.5 million in 2009 from US$136.2 million in 2008. GCMT reduced to US$6.85 per metric ton in 2009 as compared to US$8.26 per metric ton in 2008.

The Group's performance was impacted mainly by adverse market conditions prevailing in the third quarter of 2009. Tightening of fuel oil supplies coupled with the reduction of purchase contracts led to increases in procurement costs. Lower sales realization in several markets led to increased pressure on margins. However, the market conditions slightly improved in 4Q 2009 and as a result the Group's margins witnessed a marginal recovery.

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:

4th Quarter

Barging and pipeline expenses increased by US$1 million or 6% during 4Q 2009. The increase is mainly due to pipeline fees incurred on additional storage taken in Panama during 2009 as a counteractive measure to reduce demurrage and increase in operational flexibility.

Chartering expenses:

4th Quarter

Chartering expenses increased by US$3.7 million or 116% during 4Q 2009. The increase was driven by more opportunities in the chartering markets during the period.

Annual

Chartering expenses decreased by US$5.9 million or 20% during 2009. The decrease is due to reduced level of chartering activities and lower charter rates for the majority of the year.

Demurrage costs:

4th Quarter & Annual

Demurrage costs were lower by US$ 2.5 million or 62% in 4Q 2009 and by US$15.6 million or 57% for the full year 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 full year 2008.

General note

In 2009 several costs such as employee benefits, other expenses and depreciation and amortisation have increased due to the inclusion of the full year's 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. Additional explanations for any significant variances under these heads in respect of the 4th quarter are given below:

Employee benefits:

Employee benefits decreased by US$3.8 million or 22% in 4Q 2009 due to lower provision for performance bonus.

Other expenses:

Other expenses increased by US$2.1 million or 18% mainly as a result of write off of investments in an associate, higher insurance expenses and legal costs.

Finance Costs:

4th Quarter & Annual

Finance costs decreased by US$2.2 million or 27% during 4Q 2009 and by US$15 million or 41% for the full year 2009. This decrease is mainly on account of lower average borrowings coupled with lower interest rates during the respective periods.

Share of Associates and Joint Ventures results - Net:

Annual

The Group's share of profits from associates and joint ventures improved to US$12 million in 2009 against US$6.3 million 2008 as a result of better earnings from joint venture companies during the current year as compared to 2008.

Income Tax expense:

4th Quarter and Annual

The Group's tax charge for 4Q 2009 was US$8.8 million compared to a tax credit of US$8.1 million in 4Q 2008 and for the full year 2009 the tax charge was US$14.7 million against a tax credit of US$12 million for the full year 2008. During 2008 the Group had certain non taxable income, certain income taxable at concessional rates and losses in certain tax jurisdictions which resulted in a tax credit. These circumstances did not exist in 2009.

Consolidated Statement of Financial Position

The Group's total assets increased to US$1.4 billion as at end December 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.

Asset Turnover ratios	As of 31 Dec 2009	As of 31 Dec 2008
Inventory Days (average method)	20.4	18.3
Accounts Receivable Days (average method)	28.4	28.9
Accounts Payable Days (average method)	19.3	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$25.7 million due to increase in advances made to suppliers of marine fuel.

Property plant and equipment decreased to US$232.8 million in December 2009 from US$233.0 million as of end December 2008.

Borrowings increased to US$722.7 million as at end December 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 238% as at end December 2009 compared to 108% as at end December 2008 whereas the long term debt to equity ratio decreased to 54% as at end December 2009 compared to 64% as at end December 2008.

Working capital was US$143.4 million as at end December 2009 against US$166.0 million as at end December 2008 and shareholders' funds increased by US$12.9 million in December 2009 to US$304.2 million as compared to US$291.3 million in December 2008.

Consolidated Cash Flow Statement

As of December 2009, the Group's net cash used in operating activities was US$372.7 million compared to cash generated from operating activities US$416.7 million as at end December 2008. This was due to the increased level of oil prices in 2009 leading to higher levels of current assets as compared to 2008.

As of December 2009, the Group's net cash used in investing activities was US$14.2 million compared to US$27.8 million as at end December 2008 due to reduced investments in property plant and equipment.

As of December 2009, the Group's net cash generated from financing activities was US$256.5 million as compared to net cash used in financing activities US$309.0 million as at end December 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 of our 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.

On 14th December 2009, Singfuel Investment Pte. Ltd. (the "Offeror"), an indirect wholly-owned subsidiary of Glencore International AG ("Glencore") entered into a share purchase agreement with the Chandran Family Trust (the "Vendor") whereby the Vendor agreed to offer and sell to the Offeror and the Offeror agreed to purchase from the Vendor, on the terms and subject to the conditions set out in the Share Purchase Agreement, 656,748,194 shares representing approximately 50.81 per cent of the issued share capital of the Company.

On 5th February 2010, the Board of Directors of Chemoil Energy Limited ("Chemoil") announced that it had entered into a Sales, Purchase and Services Agreement (the "SPS Agreement") with Glencore International AG ("Glencore") and ST Shipping and Transport Pte. Ltd. ("ST Shipping", and collectively with Glencore and Chemoil, the "Parties", and each a "Party").

Further details of these announcements are available at the Company's website www.chemoil.com and at the SGX website www.sgx.com.

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 or recommended in respect of the current period.

b) (i) Amount per share / rate %

Not applicable.

b) (ii) Previous corresponding period /rate %

The company declared a dividend of 0.5 US cents as a final dividend in respect of the year 2008.

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.

Management has determined the operating segments based on the organisation of the Group. The results of these operating segments are reviewed by the Chief Executive Officer ("CEO") to make strategic decisions.

The Group is organised into three main operating segments:

- Fuel sales - Sales of marine fuel and related products to customers such as traders, physical suppliers, resellers and end users.
- Shipping – Provision of chartering and ship management services.
- Terminalling – Rental of terminals to physical suppliers of marine fuel.

Others comprise sale of software and other miscellaneous services.

The CEO assesses the performance of these operating segments based on gross contribution. Gross contribution is computed as revenue including derivative financial instruments (gains)/losses - net, less inventories recognised as an expense, barging and pipeline costs, chartering expenses and other shipping related expenses, rentals on operating leases, demurrage costs and service and commission expenses. Gross contribution is not measured for the "Others" segment as the sale of software and other miscellaneous services are considered as non-core activities.

The segment information provided to the management for the reportable segments for the year ended 31 December 2009 is as follows:

2009 **Group**	Fuel sales	Shipping	Terminalling	Others	Total
Segment revenue	5,643,343	79,854	43,943	61,247	5,828,387
Inter-segment revenue	(2,758)	(56,078)	(15,928)	(3,377)	(78,141)
Revenue from external customers	5,640,585	23,776	28,015	57,870	5,750,246
Gross contribution	64,092	3,966	35,393	-	103,451
Interest income	214	14	5	220	453
Finance expense	7,410	845	3,602	9,478	21,335
Depreciation and amortisation	4,694	3,109	7,282	5,091	20,176
Income tax expense	5,535	308	3,311	5,511	14,665
Share of results of associates and joint ventures – net	9,879	1,717	452	(90)	11,958

The segment information provided to the management for the reportable segments for the year ended 31 December 2008 is as follows:

2008 **Group**	Fuel sales	Shipping	Terminalling	Others	Total
Segment revenue	8,585,057	108,791	40,779	34,359	8,768,986
Inter-segment revenue	(8,541)	(74,173)	(19,738)	(4,405)	(106,857)
Revenue from external customers	**8,576,516**	**34,618**	**21,041**	**29,954**	**8,662,129**
Gross contribution	**88,736**	**15,918**	**31,543**	**-**	**136,197**
Interest income	1,316	60	26	589	1,991
Finance expense	25,399	989	4,119	5,854	36,361
Depreciation and amortisation	4,573	3,220	5,384	1,696	14,873
Income tax (credit) / expense	(13,826)	313	1,360	176	(11,977)
Share of results of associates and joint ventures - net	4,966	1,898	70	(608)	6,326

A reconciliation of gross contribution to profit before tax is provided as follows:

	2009 **$'000**	**2008** **$'000**
Gross contribution	**103,451**	**136,197**
Sales of software	57,197	29,404
Other gains/(losses) - net, excluding derivative financial instruments gains/(losses) – net	15,073	20,749
Rental, service and commission expense - Others	(2,361)	(3,474)
Marketing and communication expenses	(7,355)	(7,801)
Employee benefits	(48,108)	(42,493)
Other expenses	(61,585)	(53,452)
Depreciation and amortisation	(20,176)	(14,873)
Finance expense	(21,335)	(36,361)
Share of results of associates and joint ventures - net	11,958	6,326
Profit before tax	**26,759**	**34,222**

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:

		2009 US$'000	**2008 US$'000**	**% Increase/ (Decrease)**
a)	Sales reported for first half	2,275,300	4,673,463	(51)
b)	Operating profit after tax before deducting minority interests reported for first half year	19,632	24,346	(19)
c)	Sales reported for second half	3,474,946	3,988,666	(13)
d)	Operating (loss) / profit after tax before deducting minority interests reported for second half year	(7,538)	21,853	N/M

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

		2009 US$'000	**2008 US$'000**
a)	Ordinary	-	6,463
b)	Preference	-	-
c)	Total	-	6,463

16. Interested person transactions

During the financial year ended 31st December 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 Corporation, Japan	-	1,943
Itochu Petroleum Company Singapore Ltd	4,384	105,484
Itochu Enex Ltd.	-	5,586
Pebble Beach Shipping	2,204	-
Baron Shipping Corporation	3,426	-
American Healthnet Inc	1,164	-
Andorra Services Limited Hong Kong	103	-
Total	**11,281**	**113,013**

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 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