



**Chemoil Energy Limited**  
**Unaudited financial information for the 4<sup>th</sup> Quarter and Full Year ended 31<sup>st</sup> December 2010**

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

	GROUP			GROUP		
	Jan – Dec 2010	Jan – Dec 2009	% Increase/ (Decrease)	Oct – Dec 2010	Oct – Dec 2009	% Increase/ (Decrease)
Revenue	7,295,537	5,750,246	27	1,991,430	1,839,764	8
Other gains / (losses) – net	7,632	(137,817)	N/M	(6,600)	(33,742)	(80)
<b>Revenue and other gains – net</b>	<b>7,303,169</b>	<b>5,612,429</b>	<b>30</b>	<b>1,984,830</b>	<b>1,806,022</b>	<b>10</b>
<b>Expenses</b>						
- Inventories recognised as an expense	7,031,478	5,283,122	33	1,908,513	1,715,613	11
- Barging and pipelines costs	69,670	67,352	3	16,912	18,157	(7)
- Chartering and other shipping related expenses	16,647	23,741	(30)	2,179	6,865	(68)
- Rentals for office premises, storage tanks and motor vehicles	37,282	36,638	2	9,639	8,765	10
- Demurrage costs	11,312	11,614	(3)	2,867	1,508	90
- Employee benefits	46,222	48,108	(4)	12,487	13,109	(5)
- Marketing and communication expenses	7,375	7,355	-	1,931	1,814	6
- Service and commission expenses	16,418	16,602	(1)	4,130	5,025	(18)
- Other expenses	49,327	61,585	(20)	18,035	14,281	26
- Depreciation and amortisation	16,326	20,176	(19)	2,852	4,822	(41)
- Finance expense	20,668	21,335	(3)	4,172	6,024	(31)
<b>Total expenses</b>	<b>7,322,725</b>	<b>5,597,628</b>	<b>31</b>	<b>1,983,717</b>	<b>1,795,983</b>	<b>10</b>
Share of results of associates and joint ventures - net	7,799	11,958	(35)	2,586	3,475	(26)
<b>(Loss) / profit before income tax</b>	<b>(11,757)</b>	<b>26,759</b>	<b>N/M</b>	<b>3,699</b>	<b>13,514</b>	<b>(73)</b>
Income tax credit / (expense)	272	(14,665)	N/M	(6,777)	(8,791)	(23)
<b>(Loss) / profit for the period</b>	<b>(11,485)</b>	<b>12,094</b>	<b>N/M</b>	<b>(3,078)</b>	<b>4,723</b>	<b>N/M</b>
<b>Attributable to:</b>						
Equity holders of the Company	(9,490)	11,467	N/M	(1,814)	2,943	N/M
Non-controlling interests	(1,995)	627	N/M	(1,264)	1,780	N/M
	<b>(11,485)</b>	<b>12,094</b>	<b>N/M</b>	<b>(3,078)</b>	<b>4,723</b>	<b>N/M</b>

N/M = Not meaningful

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

	GROUP			GROUP		
	Jan – Dec 2010	Jan – Dec 2009	% Increase/ (Decrease)	Oct – Dec 2010	Oct – Dec 2009	% Increase/ (Decrease)
<b>(Loss) / profit for the period</b>	<b>(11,485)</b>	<b>12,094</b>	<b>N/M</b>	<b>(3,078)</b>	<b>4,723</b>	<b>N/M</b>
<b>Other comprehensive income:</b>						
<b>Income / (loss) recognised directly in equity</b>						
Cash flow hedges	257	3,631	(93)	1,995	1,408	42
Currency translation differences	7,204	3,978	81	599	1,177	(49)
<b>Other comprehensive income for the period</b>	<b>7,461</b>	<b>7,609</b>	<b>(2)</b>	<b>2,594</b>	<b>2,585</b>	<b>-</b>
<b>Total comprehensive (loss) / income for the period</b>	<b>(4,024)</b>	<b>19,703</b>	<b>N/M</b>	<b>(484)</b>	<b>7,308</b>	<b>N/M</b>
<b>Total comprehensive (loss) / income attributable to:</b>						
Equity holders of the Company	(1,222)	18,725	N/M	795	4,468	(82)
Non-controlling interests	(2,802)	978	N/M	(1,279)	2,840	N/M
	<b>(4,024)</b>	<b>19,703</b>	<b>N/M</b>	<b>(484)</b>	<b>7,308</b>	<b>N/M</b>

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

	GROUP			GROUP		
	Jan – Dec 2010	Jan – Dec 2009	% Increase/ (Decrease)	Oct - Dec 2010	Oct - Dec 2009	% Increase/ (Decrease)
<u>Other gains / (losses) – net includes the following:</u>						
(a) Derivatives financial instruments – net (See note a)	(464)	(152,891)	N/M	(9,194)	(47,516)	(81)
(b) Other income (See Note b)	7,000	-	N/M	-	-	-
(c) Fair value gains / (losses) on other financial assets at fair value through profit or loss	13	358	(96)	36	(53)	N/M
<u>The income statement includes the following income / (expenses)</u>						
(a) Interest income	1,054	454	N/M	466	83	N/M
(b) Foreign exchange gains / (losses)	1,438	(399)	N/M	2,880	(122)	N/M
(c) Loss on disposal of property plant and equipment	(2,916)	(34)	N/M	(1,184)	(11)	N/M
(d) Allowance for doubtful debts	(3,434)	(3,204)	7	(3,180)	(53)	N/M
(e) Gain on disposal of subsidiary (See note c)	-	13,397	N/M	-	13,397	N/M
(f) Adjustments for over / (under) provision of tax in respect of prior years	350	(953)	N/M	(883)	(953)	(7)

**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. The Group incurred net losses of US\$ 9.2 million from its derivative financial instruments during 4Q 2010 compared to losses of US\$ 47.5 million during 4Q 2009. Against these hedging losses, the Group recorded margins on fuel sales which are already recognised in the financial statements.
- b) It represents the payment received from a former related party in recognition of services rendered by the Group.
- c) It represents the gain 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-10	31-Dec-09	% Increase/ (Decrease)	31-Dec-10	31-Dec-09	% Increase/ (Decrease)
<b>ASSETS</b>						
<b>Current assets</b>						
Cash and cash equivalents	57,728	70,379	(18)	846	787	7
Derivative financial instruments	8,268	206	N/M	-	-	-
Other financial assets at fair value through profit or loss	1,039	1,026	1	1,039	1,026	1
Prepaid income tax	1,095	-	N/M	-	-	-
Other current assets	20,494	50,952	(60)	153	181	(15)
Trade and other receivables	633,832	582,662	9	86,400	110,438	(22)
Inventories	192,439	359,377	(46)	-	-	-
	<b>914,895</b>	<b>1,064,602</b>	<b>(14)</b>	<b>88,438</b>	<b>112,432</b>	<b>(21)</b>
<b>Non-current assets</b>						
Trade and other receivables	5,164	7,448	(31)	-	-	-
Other non-current assets	2,056	2,996	(31)	-	-	-
Investments in associates	38,333	42,314	(9)	13,513	14,691	(8)
Investments in joint ventures	34,211	28,316	21	16,127	16,462	(2)
Investments in subsidiaries	-	-	-	211,921	211,921	-
Intangible assets	15,795	17,174	(8)	-	-	-
Property, plant and equipment	232,328	232,787	-	-	13	N/M
Deferred income tax assets	10,449	9,009	16	-	-	-
	<b>338,336</b>	<b>340,044</b>	<b>(1)</b>	<b>241,561</b>	<b>243,087</b>	<b>(1)</b>
<b>Total assets</b>	<b>1,253,231</b>	<b>1,404,646</b>	<b>(11)</b>	<b>329,999</b>	<b>355,519</b>	<b>(7)</b>
<b>LIABILITIES</b>						
<b>Current liabilities</b>						
Trade and other payables	439,192	326,735	34	55,316	62,580	(12)
Derivative financial instruments	13,718	26,142	(48)	3,139	3,231	(3)
Current income tax liabilities	466	5,624	(92)	-	-	-
Borrowings	339,539	557,416	(39)	66,144	80,208	(18)
Provisions for other liabilities and charges	3,414	5,334	(36)	-	-	-
	<b>796,329</b>	<b>921,251</b>	<b>(14)</b>	<b>124,599</b>	<b>146,019</b>	<b>(15)</b>
<b>Non-current liabilities</b>						
Borrowings	138,265	165,238	(16)	36,595	36,875	(1)
Derivative financial instruments	4,648	3,986	17	4,077	3,686	11
Deferred income tax liabilities	7,349	4,542	62	-	-	-
Provisions for other liabilities and charges	6,470	5,466	18	-	-	-
	<b>156,732</b>	<b>179,232</b>	<b>(12)</b>	<b>40,672</b>	<b>40,561</b>	<b>-</b>
<b>Total liabilities</b>	<b>953,061</b>	<b>1,100,483</b>	<b>(13)</b>	<b>165,271</b>	<b>186,580</b>	<b>(11)</b>
<b>NET ASSETS</b>	<b>300,170</b>	<b>304,163</b>	<b>(1)</b>	<b>164,728</b>	<b>168,939</b>	<b>(2)</b>
<b>EQUITY</b>						
<b>Capital &amp; reserves attributable to equity holders of the Company</b>						
Share capital	2	2	-	2	2	-
Share premium	85,816	85,816	-	85,816	85,816	-
Treasury shares	(2,504)	(1,230)	N/M	-	-	-
Merger reserve	3,529	3,529	-	-	-	-
Other reserves	9,003	(570)	N/M	569	750	(24)
Retained earnings	200,273	209,763	(5)	78,341	82,371	(5)
	<b>296,119</b>	<b>297,310</b>	<b>-</b>	<b>164,728</b>	<b>168,939</b>	<b>(2)</b>
<b>Non-controlling interests</b>	<b>4,051</b>	<b>6,853</b>	<b>(41)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>300,170</b>	<b>304,163</b>	<b>(1)</b>	<b>164,728</b>	<b>168,939</b>	<b>(2)</b>

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

	31-Dec-10		31-Dec-09	
	Secured	Unsecured	Secured	Unsecured
Amount repayable in one year or less, or on demand	331,475	8,064	554,187	3,229
Amount repayable after one year	138,265	-	164,820	418
Total	469,740	8,064	719,007	3,647

Details of any collateral	31-Dec-10	31-Dec-09
Secured on current assets of subsidiaries	117,565	327,482
Secured against trade receivables under a receivables purchase agreement of a subsidiary (See Note a below)	186,000	199,042
Secured on property, plant and equipment and lease rentals of subsidiaries	166,013	192,288
Secured on other property, plant and equipment of a subsidiary (See Note b below)	162	195
Total	469,740	719,007

**Note**

- a) The gross amount of trade receivables secured under the receivables purchase agreement is US\$ 236,091 (2009: US\$ 235,672)
- b) The carrying amount of motor vehicles pledged as security for borrowings is US\$ 205 (2009: US\$ 226)

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

	GROUP		GROUP	
	Jan – Dec 10	Jan – Dec 09	Oct – Dec 10	Oct – Dec 09
<b>Cash flows from operating activities</b>				
(Loss) / profit for the period	(11,485)	12,094	(3,078)	4,723
Adjustments for:				
Income tax (credit) / expense	(272)	14,665	6,777	8,791
Share option expense	1,319	851	114	409
Depreciation and amortisation	16,326	20,176	2,852	4,822
Net loss on disposal of property, plant and equipment	2,916	34	1,184	11
Gain on disposal of subsidiary	-	(13,397)	-	(13,397)
Fair value (gains) / losses on other financial assets at fair value through profit or loss	(13)	(358)	(36)	53
Unrealised translation (gains) / losses	(3,998)	27	(1,217)	(2,028)
Share of results of associates and joint ventures	(7,799)	(11,958)	(2,586)	(3,475)
Interest income	(1,054)	(454)	(466)	(83)
Finance expense	20,668	21,335	4,172	6,024
	<b>16,608</b>	<b>43,015</b>	<b>7,716</b>	<b>5,850</b>
<b>Changes in working capital, net of effects of acquisitions and disposals of subsidiaries</b>				
Derivative financial instruments	(19,567)	57,997	(3,496)	26,700
Other assets	30,939	(28,297)	1,046	(18,647)
Trade and other receivables	(47,922)	(337,064)	(46,623)	(86,288)
Inventories	166,938	(236,483)	58,445	48,963
Trade and other payables	112,457	129,829	(15,052)	8,729
Provisions for other liabilities and charges	(916)	1,754	149	1,980
<b>Cash generated from / (used in) operations</b>	<b>258,537</b>	<b>(369,249)</b>	<b>2,185</b>	<b>(12,713)</b>
Income tax paid	(4,613)	(5,270)	(1,039)	(839)
<b>Net cash generated from / (used in) operating activities</b>	<b>253,924</b>	<b>(374,519)</b>	<b>1,146</b>	<b>(13,552)</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(5,498)	(4,789)	(1,451)	3,014
Proceeds from disposal of property, plant and equipment	3,022	266	1,647	180
Purchase of intangible assets	(1,258)	(1,434)	(539)	(129)
Proceeds from disposal of a subsidiary, net of cash disposed of	-	3,304	-	3,304
Proceeds from partial disposal of a joint venture	123	-	123	-
Additional investment in a joint venture	(454)	(5,017)	-	-
Additional Investment in an associate	(251)	-	(251)	-
Acquisition of a subsidiary, net of cash received	-	(4,137)	-	(4,137)
Other receivables	(964)	(3,293)	(260)	(767)
Interest received	1,054	454	466	83
Dividends received from associates	1,897	2,276	-	-
Dividends received from joint ventures	2,560	63	-	-
<b>Net cash generated from / (used in) investing activities</b>	<b>231</b>	<b>(12,307)</b>	<b>(265)</b>	<b>1,548</b>
<b>Cash flows from financing activities</b>				
Proceeds from borrowings	131,261	421,010	27,898	(10,314)
Repayments of borrowings	(285,246)	(126,703)	(32,962)	(6,051)
Purchase of treasury shares	(1,327)	(1,282)	(849)	-
Proceeds from re-issuance of treasury shares	39	98	-	-
Interest paid	(20,668)	(21,335)	(4,172)	(6,024)
Bank balances and deposits pledged with banks for bank loans	4,889	(10,579)	(8,223)	(8,444)
Dividends paid to shareholders	-	(6,463)	-	-
Dividends paid to non-controlling interests	-	-	-	980
<b>Net cash (used in) / generated from financing activities</b>	<b>(171,052)</b>	<b>254,746</b>	<b>(18,308)</b>	<b>(29,853)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>83,103</b>	<b>(132,080)</b>	<b>(17,427)</b>	<b>(41,857)</b>
<b>Cash and cash equivalents at beginning of financial period</b>	<b>(82,461)</b>	<b>49,619</b>	<b>18,069</b>	<b>(40,604)</b>
<b>Cash and cash equivalents at end of financial period</b>	<b>642</b>	<b>(82,461)</b>	<b>642</b>	<b>(82,461)</b>
Cash and cash equivalents:				
Cash and bank balances	57,728	70,379	57,728	70,379
Bank balances and deposits pledged with banks for bank loans	(15,852)	(20,741)	(15,852)	(20,741)
Bank overdrafts	(41,234)	(132,099)	(41,234)	(132,099)
<b>Total</b>	<b>642</b>	<b>(82,461)</b>	<b>642</b>	<b>(82,461)</b>

**1. (d) (i) Statements of Changes in Equity for the year ended 31 December 2010**  
**(in US \$'000, unless otherwise stated)**

GROUP FULL YEAR	← <u>Attributable to the equity holders of the Company</u> →							Non- controlling interests	Total Equity
	<u>Share capital</u>	<u>Treasury shares held by Trust<sup>1</sup></u>	<u>Merger reserve</u>	<u>Share premium</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total</u>		
<b>Balance as at 1 January 2010</b>	2	(1,230)	3,529	85,816	(570)	209,763	297,310	6,853	304,163
Purchase of treasury shares	-	(1,327)	-	-	-	-	(1,327)	-	(1,327)
Employee share option scheme:									
- Value of services rendered	-	-	-	-	1,319	-	1,319	-	1,319
- Treasury shares re-issued	-	53	-	-	(14)	-	39	-	39
Total comprehensive income / (loss) for the period	-	-	-	-	8,268	(9,490)	(1,222)	(2,802)	(4,024)
<b>Balance as at 31 December 2010</b>	<b>2</b>	<b>(2,504)</b>	<b>3,529</b>	<b>85,816</b>	<b>9,003</b>	<b>200,273</b>	<b>296,119</b>	<b>4,051</b>	<b>300,170</b>
<b>Balance as at 1 January 2009</b>	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
<b>Balance as at 31 December 2009</b>	<b>2</b>	<b>(1,230)</b>	<b>3,529</b>	<b>85,816</b>	<b>(570)</b>	<b>209,763</b>	<b>297,310</b>	<b>6,853</b>	<b>304,163</b>

<sup>1</sup> 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 for the period ended 31 December 2010  
(in US \$'000, unless otherwise stated)**

GROUP 4 <sup>th</sup> QUARTER	← Attributable to the equity holders of the Company →						Total	Non- controlling interests	Total Equity
	Share capital	Treasury shares held by Trust <sup>1</sup>	Merger reserve	Share premium	Other reserves	Retained earnings			
<b>Balance as at 1 October 2010</b>	2	(1,655)	3,529	85,816	6,280	202,087	296,059	5,330	301,389
Purchase of treasury shares	-	(849)	-	-	-	-	(849)	-	(849)
Employee share option scheme: - Value of services rendered	-	-	-	-	114	-	114	-	114
Total comprehensive income / (loss) for the period	-	-	-	-	2,609	(1,814)	795	(1,279)	(484)
<b>Balance as at 31 December 2010</b>	<b>2</b>	<b>(2,504)</b>	<b>3,529</b>	<b>85,816</b>	<b>9,003</b>	<b>200,273</b>	<b>296,119</b>	<b>4,051</b>	<b>300,170</b>
<b>Balance as at 1 October 2009</b>	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
Disposal of a subsidiary	-	-	-	-	-	-	-	(22)	(22)
Total comprehensive income for the period	-	-	-	-	1,525	2,943	4,468	2,840	7,308
<b>Balance as at 31 December 2009</b>	<b>2</b>	<b>(1,230)</b>	<b>3,529</b>	<b>85,816</b>	<b>(570)</b>	<b>209,763</b>	<b>297,310</b>	<b>6,853</b>	<b>304,163</b>

<sup>1</sup> 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 for the year ended 31 December 2010  
(in US \$'000, unless otherwise stated)**

<b>COMPANY</b>	<b>Share</b>	<b>Share</b>	<b>Other</b>	<b>Retained</b>	<b>Total Equity</b>
<b>FULL YEAR</b>	<b>capital</b>	<b>premium</b>	<b>Reserves</b>	<b>earnings</b>	
<b>Balance as at 1 January 2010</b>	2	85,816	750	82,371	168,939
Contribution to Trust <sup>1</sup>	-	-	(1,500)	-	(1,500)
Employee share option scheme: - Value of services rendered	-	-	1,319	-	1,319
Total comprehensive loss for the period	-	-	-	(4,030)	(4,030)
<b>Balance as at 31 December 2010</b>	<b>2</b>	<b>85,816</b>	<b>569</b>	<b>78,341</b>	<b>164,728</b>
<b>Balance as at 1 January 2009</b>	2	85,816	1,574	71,479	158,871
Contribution to Trust <sup>1</sup>	-	-	(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
<b>Balance as at 31 December 2009</b>	<b>2</b>	<b>85,816</b>	<b>750</b>	<b>82,371</b>	<b>168,939</b>
<b>COMPANY</b>	<b>Share</b>	<b>Share</b>	<b>Other</b>	<b>Retained</b>	<b>Total</b>
<b>4<sup>th</sup> QUARTER</b>	<b>capital</b>	<b>premium</b>	<b>Reserves</b>	<b>earnings</b>	<b>equity</b>
<b>Balance as at 1 October 2010</b>	2	85,816	955	79,378	166,151
Contribution to Trust <sup>1</sup>	-	-	(500)	-	(500)
Employee share option scheme: - Value of services rendered	-	-	114	-	114
Total comprehensive loss for the period	-	-	-	(1,037)	(1,037)
<b>Balance as at 31 December 2010</b>	<b>2</b>	<b>85,816</b>	<b>569</b>	<b>78,341</b>	<b>164,728</b>
<b>Balance as at 1 October 2009</b>	2	85,816	341	84,056	170,215
Employee share option scheme: - Value of services rendered	-	-	409	-	409
Total comprehensive loss for the period	-	-	-	(1,685)	(1,685)
<b>Balance as at 31 December 2009</b>	<b>2</b>	<b>85,816</b>	<b>750</b>	<b>82,371</b>	<b>168,939</b>

<sup>1</sup> 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<sup>st</sup> December 2010, the Company's issued and paid-up capital (including treasury shares) comprised 1,292,612,000 (31 December 2009: 1,292,612,000) ordinary shares. The Company's issued and paid-up capital (excluding treasury shares) comprised 1,283,862,622 (31 December 2009: 1,287,429,622) ordinary shares.

Treasury shares held by the Trust as at 31<sup>st</sup> December 2010 is 8,749,378 shares (31 December 2009: 5,182,378).

Pursuant to the Company's share option plan, 225,000 shares were re-issued by the trust during the full year ended 31<sup>st</sup> December 2010.

**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 1 (d) (ii)

**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 2009.

**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 27R – Consolidated and separate financial statements
- IAS 39 (Amendment) – 'Financial instruments : Recognition and measurement'
- IFRS 3R – Business combinations
- IFRS 2 (amendments) – 'Group cash-settled and share based payment transactions'
- Annual Improvement Project which includes amendments to IFRS 5, IAS 38, IAS 1, IAS 7, IAS 17, IAS 36, IFRIC 17, IFRIC 19, IFRS 8 , IFRIC 9

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 attributable to equity holders of the Company

	Jan – Dec 2010	Jan – Dec 2009	Oct – Dec 2010	Oct – Dec 2009
(a) Based on weighted average number of ordinary shares on issue (US cents per share)	(0.74)	0.89	(0.14)	0.23
(b) On fully diluted basis (US cents per share)	(0.73)	0.89	(0.14)	0.23

## 7. Net Asset Value

	Group		Company	
	31-Dec-10	31-Dec-09	31-Dec-10	31-Dec-09
Net asset value per ordinary share based on issued share capital (US cents per share)	22.91	23.00	12.74	13.07

## 8. Review of Performance of the Group

Full year ended 31<sup>st</sup> December 2010 (FY 2010) compared to the Full Year ended 31<sup>st</sup> December 2009 (FY 2009)

4<sup>th</sup> Quarter ended 31<sup>st</sup> December 2010 (4Q 2010) compared to the 4<sup>th</sup> Quarter ended 31<sup>st</sup> December 2009 (4Q 2009)

	Jan - Dec 2010	Jan - Dec 2009	% Increase / (Decrease)	Oct – Dec 2010	Oct – Dec 2009	% Increase / (Decrease)
Volume - Mts million	15.6	15.1	3.3	4.1	4.0	2.5
Retail volume – Mts million	9.4	8.9	5.6	2.3	2.3	-
Average Sales Value per MT - US\$	459.4	372.5	23.3	476.2	455.2	4.6
Average Purchase Cost per MT US\$ (note a)	450.1	359.7	25.1	465.5	443.5	5.0
Gross Contribution - US\$ million (note b)	75.3	103.5	(27.2)	27.7	25.1	10.4
Gross Contribution per MT - US\$	4.8	6.8	(29.4)	6.7	6.3	6.3
Revenue - US\$ million	7,295.5	5,750.2	26.9	1,991.4	1,839.8	8.2
(Loss) / Profit before Tax - US\$ million	(11.8)	26.8	N/M	3.7	13.5	(72.6)
(Loss) / Profit after tax - US\$ million	(11.5)	12.1	N/M	(3.1)	4.7	N/M
(Loss) / Profit after tax and non-controlling interests - US\$ million	(9.5)	11.5	N/M	( 1.8)	2.9	N/M
Earnings per Share						
- Basic US cents per share	(0.74)	0.89	N/M	(0.14)	0.23	N/M
- Diluted US cents per share	(0.73)	0.89	N/M	(0.14)	0.23	N/M

MT = Metric ton

N/M = Not meaningful

Note:

- Average purchase cost includes the gains or losses on commodity swaps and futures.
- 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 2010 was higher by 8% at US\$ 2.0 billion as against US\$ 1.8 billion for 4Q 2009. For the full year, the Group's revenue was higher by 27% at US\$ 7.3 billion compared to US\$ 5.8 billion in 2009.

### **Volumes & Average prices**

#### **4th Quarter & Annual**

The Group's sales volume for 4Q 2010 was 4.1 million metric tons as compared to 4.0 million metric tons in 4Q 2009, an increase of 2.5%. The Group's sales volume for the full year 2010 was 15.6 million metric tons as compared to 15.1 million metric tons in 2009, an increase of 3%. Increased retail sales in Americas and Asia are the primary reason for the volume increase.

Oil prices were higher in 4Q 2010 and for the full year compared to 4Q 2009 and 2009 which saw an increase in the average sales value per metric ton in 4Q 2010 by 5% at US\$ 476 compared to US\$ 455 in 4Q 2009 and by 23% for the full year at US\$ 459 compared to US\$ 373 in 2009. Average purchase prices per metric ton during the respective periods was also higher with 4Q 2010 being higher by 5% at US\$ 466 compared to US\$ 444 in 4Q 2009 and for the full year being higher by 25% at US\$ 450 compared to US\$ 360 in 2009.

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

#### **4th Quarter and Annual**

GC increased to US\$ 27.7 million in 4Q 2010 from US\$ 25.1 million in 4Q 2009 whereas GC for the full year was lower at US\$ 75.3 million as compared to US\$ 103.5 million in 2009. Similarly GCMT for 4Q 2010 was higher at US\$ 6.7 compared to US\$ 6.3 in 4Q 2009 and lower in full year at US\$ 4.8 against US\$ 6.8 in 2009.

Although the margins have been improving since middle of this year, the margins for the whole year was still lower due to the pressure on margins starting from the 3<sup>rd</sup> quarter of 2009. This could be attributed to a variety of reasons such as the tightening of fuel supplies, reduction in arbitrage opportunities and weakness in the marine markets which resulted in significant losses in the 3<sup>rd</sup> quarter of 2009 and the 1<sup>st</sup> quarter of 2010. As pointed out earlier these trends have shown gradual improvement from the 2<sup>nd</sup> quarter of 2010 but the pace and the size of the recovery have continued to remain weak. To mitigate these challenges, the Group initiated active cost cutting measures to reduce expenses which improved the GC and GCMT in Q4 2010. Further cost cutting measures are to be expected in the forthcoming quarters.

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**

#### **4<sup>th</sup> Quarter and Annual**

Barging and pipeline expenses decreased by US\$ 1.2 million or 7% during 4Q 2010 but increased by 3% or US\$ 2.3 million for the full year 2010. Increased retail volumes in the Americas coupled with additional pipeline charges in the 1<sup>st</sup> quarter of 2010 due to shifting of inventory between tanks for rationalisation of storage capacity has contributed to the increased barging and pipelines costs for the full year. The Group successfully negotiated reductions in barge rates and pipeline fees in the 3<sup>rd</sup> quarter of this year which in turn led to cost savings in 4<sup>th</sup> quarter 2010.

## **Chartering expenses:**

### **4th Quarter and Annual**

Chartering expenses decreased by US\$ 4.7 million or 68% during 4Q 2010 and by US\$ 7.1 million or 30% for the full year 2010 as a result of the reduced level of chartering activities.

## **Demurrage costs:**

### **4th Quarter**

Demurrage costs were higher by US\$ 1.4 million or 90% in 4Q 2010 due to increase in the waiting time of the vessels on the back to back trading in Americas.

## **Other expenses:**

### **4th Quarter and Annual**

Other expenses was higher by US\$ 3.8 million or 26% in 4Q 2010 as compared to 4Q 2009, mainly due to provision of bad debts in a non-core subsidiary. For the full year other expenses was lower by US\$12.3 million or 20% due to reduced software expenses as a result of a disposal of a subsidiary which belonged to the non-core business of the Group the previous year.

## **Depreciation and amortisation:**

### **4th Quarter and Annual**

Depreciation and amortization was lower by US\$ 2.0 million or 41% in 4Q 2010 and by US\$ 3.9 million or 19% for the full year. In 4Q 2010 the lower depreciation was due to change in the useful life of a major asset. Further the divestment of a non-core subsidiary in 4 Q 2009 resulted in lower amortization costs in 2010.

## **Finance Costs:**

### **4th Quarter**

Finance costs decreased by US\$ 1.9 million or 31% during 4Q 2010. 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 was lower by US\$ 4.2 million due to lower earnings from an associate.

## **Income Tax expense**

### **4th Quarter & Annual**

In 4Q 2010, the Group had a tax charge of US\$ 6.8 million as compared to a tax charge of US\$ 8.8 million in 4Q 2009. The Group's tax credit for the full year 2010 was US\$ 0.3 million against a tax charge of US \$ 14.7 million during 2009. In 4Q 2010, the Group had written off an amount of \$5.1 million in deferred tax assets of a subsidiary. Although the Group had reported loss of \$11.8 million before tax for the full year 2010, the tax credit was smaller due to this write off.

### **Consolidated Statement of Financial Position**

The Group's total assets decreased to US\$ 1.3 billion as at end December 2010 from US\$ 1.4 billion as at end December 2009. This decrease was mainly due to reduction in inventory levels as compared to December 2009.

<b><u>Asset Turnover ratios</u></b>	<b>Dec 2010</b>	<b>Dec 2009</b>
Inventory Days (average method)	13.0	20.4
Accounts Receivable Days (average method)	31.3	28.4
Accounts Payable Days (average method)	21.4	19.3

Other current assets decreased by US\$ 30.5 million due to decrease in advances made to suppliers of marine fuel.

Borrowings reduced to US\$ 478 million as at end December 2010 compared to US\$ 723 million as at end December 2009 (Refer to Note 1 (b) (ii)). The debt to equity ratio decreased to 159% as at end December 2010 compared to 238% as at end December 2009 whereas the long term debt to equity ratio decreased to 46% as at end December 2010 compared to 54% as at end December 2009.

Working capital was US\$ 119 million as at end December 2010 against US\$ 143 million as at end December 2009 and shareholders' funds stands at US\$ 296 million as at end December 2010.

### **Consolidated Cash Flow Statement**

As of December 2010, the Group's net cash generated from operating activities was US\$ 253.9 million compared to cash used in operating activities of US\$ 374.5 million as at end December 2009.

The Group's cash generated from investing activities was US\$ 0.2 million compared to cash used in investing activities of US\$ 12.3 million as at end December 2009.

The Group's cash used in financing activities was US\$ 171.0 million as compared to cash generated from financing activities of US\$ 254.7 million as at end December 2009.

In our opinion 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 demand for marine fuel continues to show some signs of improvement while the wholesale-retail price spreads continue to remain under pressure.

**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. 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 2010 is as follows:

<b><u>2010</u></b>	<u>Fuel sales</u>	<u>Shipping</u>	<u>Terminalling</u>	<u>Others</u>	<u>Total</u>
<b>Group</b>					
Segment revenue	7,210,232	60,558	44,370	41,263	7,356,423
Inter-segment revenue	(5,430)	(39,872)	(13,531)	(2,053)	(60,886)
<b>Revenue from external customers</b>	<b>7,204,802</b>	<b>20,686</b>	<b>30,839</b>	<b>39,210</b>	<b>7,295,537</b>
<b>Gross contribution</b>	<b>33,162</b>	<b>6,293</b>	<b>35,863</b>	<b>-</b>	<b>75,318</b>
Interest income	412	6	10	626	1,054
Finance expense	8,453	925	2,560	8,730	20,668
Depreciation and amortisation	3,090	2,673	7,462	3,101	16,326
Income tax (credit) / expense	(988)	267	3,434	(2,985)	(272)
Share of results of associates and joint ventures – net	5,543	1,688	486	82	7,799

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

<b>2009 Group</b>	<u>Fuel sales</u>	<u>Shipping</u>	<u>Terminalling</u>	<u>Others</u>	<u>Total</u>
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)
<b>Revenue from external customers</b>	<b>5,640,585</b>	<b>23,776</b>	<b>28,015</b>	<b>57,870</b>	<b>5,750,246</b>
<b>Gross contribution</b>	<b>64,092</b>	<b>3,966</b>	<b>35,393</b>	<b>-</b>	<b>103,451</b>
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

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

	<b>2010</b>	<b>2009</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Gross contribution</b>	<b>75,318</b>	<b>103,451</b>
Sales of software	38,580	57,197
Other gains, excluding derivative financial instruments gains/(losses) – net	8,096	15,073
Rental, service and commission expense - Others	(1,632)	(2,361)
Marketing and communication expenses	(7,375)	(7,355)
Employee benefits	(46,222)	(48,108)
Other expenses	(49,327)	(61,585)
Depreciation and amortisation	(16,326)	(20,176)
Finance expense	(20,668)	(21,335)
Share of results of associates and joint ventures - net	7,799	11,958
<b>(Loss) / Profit before income tax</b>	<b>(11,757)</b>	<b>26,759</b>

**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:**

		<b>2010 US\$'000</b>	<b>2009 US\$'000</b>	<b>% Increase / (Decrease)</b>
a)	Sales reported for first half	3,604,274	2,275,300	58
b)	Operating (loss) / profit after tax before deducting non-controlling interests reported for first half year	(10,674)	19,632	N/M
c)	Sales reported for second half	3,691,263	3,474,946	6
d)	Operating loss after tax before deducting non-controlling interests reported for second half year	(811)	(7,538)	(89)

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

		<b>2010 US\$'000</b>	<b>2009 US\$'000</b>
a)	Ordinary	-	-
b)	Preference	-	-
c)	Total	-	-

**16. Interested person transactions**

During the financial year ended 31<sup>st</sup> December 2010, the following interested person transactions were entered into by the Group,

<b>Name of interested persons</b>	<b>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</b>	<b>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</b>
Itochu Petroleum Company Singapore Ltd.	6,624	31,193
Itochu Enex Ltd.	-	9,799
Pebble Beach Shipping	331	-
Baron Shipping Corporation	571	-
Andorra Service Limited Hong Kong	7,094	-
<b>Total</b>	<b>14,620</b>	<b>40,992</b>

Name of interested persons	Aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions entered into pursuant to the SPS agreement) US\$'000	Aggregate value of all interested person transactions entered into under the SPS agreement during the financial year under review US\$'000
Glencore Ltd.	907	827,957
Glencore Singapore Pte Ltd.	2,104	983,529
Glencore Energy UK Ltd.	27	37,931
Glencore Grain Rotterdam BV	-	200
Glencore Commodities Ltd. – Singapore	-	70,653
Glencore International AG	-	15,947
Glencore Commodities Ltd.	-	287,460
ST Shipping & Transport Inc.	1,456	29,380
ST Shipping & Transport Pte Ltd. (Singapore)	-	35,658
ST Shipping & Transport Pte Ltd. (US)	-	313
ST Shipping & Transport Pte Ltd. (UK)	-	15,653
<b>Total</b>	<b>4,494</b>	<b>2,304,681</b>

## 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 4<sup>th</sup> quarter ended 31<sup>st</sup> December 2010 to be false or misleading in any material aspects.

On behalf of the Board of Directors

Clyde Michael Bandy  
Chairman

Peter Michael Meade  
Lead Independent Director

Steven Barry John Simpson  
Chairman of Audit Committee  
and Independent Director