



CHINA AVIATION OIL (SINGAPORE) CORPORATION LTD
(Company Registration No. 199303293Z)
Half Year Financial Statement For The Period Ended 30 June 2024

A. Condensed consolidated statement of profit or loss and other comprehensive income

Consolidated Statement of Profit or Loss

	Note	1H 2024 US\$'000	1H 2023 US\$'000	Variance + / - (%)
Revenue	4	7,535,525	6,277,069	20.05
Cost of sales		(7,511,344)	(6,266,421)	19.87
Gross Profit		24,181	10,648	127.09
Other operating income		9,186	9,644	-4.75
Administrative expenses		(6,515)	(5,850)	11.37
Other operating expenses		(2,220)	(882)	151.70
Finance costs		(445)	(189)	135.45
Operating Profit		24,187	13,371	80.89
Share of results of associates (net of tax)		23,144	8,260	180.19
Profit before tax	5	47,331	21,631	118.81
Tax expense	6	(5,067)	(2,226)	127.63
Profit for the period		42,264	19,405	117.80

Consolidated statement of other comprehensive income

Consolidated Statement of Other Comprehensive Income

	1H 2024	1H 2023	Variance
	US\$'000	US\$'000	+ / - (%)
PROFIT FOR THE PERIOD	42,264	19,405	117.80
Other comprehensive loss:			
Items that may be reclassified to profit or loss in subsequent periods (net of tax) :			
Currency translation differences on consolidation of foreign entities (net) (note (a))	(4,521)	(7,413)	-39.01
Total other comprehensive loss for the period	(4,521)	(7,413)	-39.01
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	37,743	11,992	214.73
Profit attributable to:			
Owners of the Company	42,400	19,736	114.84
Non-controlling interests	(136)	(331)	-58.91
	42,264	19,405	117.80
Total comprehensive income attributable to:			
Owners of the Company	37,879	12,323	207.38
Non-controlling interests	(136)	(331)	-58.91
	37,743	11,992	214.73
Earnings per share for profit for the period attributable to the owners of the Company during the period:			
Basic (USD in cent)	4.93	2.29	115.28
Diluted (USD in cent)	4.93	2.29	115.28

Note (a): Compared to the end of December 2023, the RMB and Korean Won depreciated approximately 0.62% and 7.69% respectively against the US Dollar during the six months ended 30 June 2024 giving rise to the translation loss on foreign associates.

NM denotes “not meaningful”

B. Condensed statements of financial position

Statements of Financial Position

	Note	Group		Company	
		As at 30 Jun 2024 US\$'000	As at 31 Dec 2023 US\$'000	As at 30 Jun 2024 US\$'000	As at 31 Dec 2023 US\$'000
ASSETS					
Non-current assets					
Property, plant and equipment		14,437	15,271	12,863	13,400
Right-of-use assets		5,969	5,772	2,224	3,761
Intangible assets	7	6,221	6,778	69	98
Subsidiaries		-	-	35,611	35,611
Associates	10	262,234	253,149	262,234	253,149
Financial asset at FVTOCI	11	5,500	5,500	-	-
		294,361	286,470	313,001	306,019
Current assets					
Inventories		124,572	88,265	30,501	886
Trade and other receivables	12	1,467,519	1,039,739	1,404,621	1,031,465
Cash and cash equivalents		353,378	373,040	337,131	359,281
		1,945,469	1,501,044	1,772,253	1,391,632
Total assets		2,239,830	1,787,514	2,085,254	1,697,651
EQUITY AND LIABILITIES					
Capital, Reserves and					
Non-controlling interests					
Share capital	13	215,573	215,573	215,573	215,573
Reserves		738,778	732,827	711,224	707,459
Equity attributable to owners		954,351	948,400	926,797	923,032
Non-controlling interests		3,811	3,947	-	-
Total equity		958,162	952,347	926,797	923,032
Non-current liabilities					
Lease liabilities		2,324	734	151	3
Deferred tax liabilities		8,716	7,952	8,716	7,952
		11,040	8,686	8,867	7,955
Current liabilities					
Trade and other payables	14	1,259,044	813,620	1,144,176	759,778
Contract liabilities		3,832	3,619	-	-
Lease liabilities		4,170	5,559	2,142	3,844
Current tax liabilities		3,582	3,683	3,272	3,042
		1,270,628	826,481	1,149,590	766,664
Total liabilities		1,281,668	835,167	1,158,457	774,619
Total equity and liabilities		2,239,830	1,787,514	2,085,254	1,697,651

C. Condensed statements of changes in equity

Consolidated Statement of Changes in Equity

THE GROUP	Share capital US\$'000	Retained earnings US\$'000	Treasury shares US\$'000	Foreign currency translation reserve US\$'000	Statutory reserve US\$'000	Total attributable to owners of the Company US\$'000	Non-controlling interests US\$'000	Total equity US\$'000
As at 1 January 2023	215,573	661,299	(5,482)	(5,615)	37,203	902,978	4,430	907,408
Total comprehensive income for the period	-	19,736	-	(7,413)	-	12,323	(331)	11,992
Share of associates' accumulated profits transferred to statutory reserve	-	(17)	-	-	17	-	-	-
Dividends paid in respect of 2022, representing total transactions with shareholders recognised directly in equity	-	(10,308)	-	-	-	(10,308)	-	(10,308)
As at 30 June 2023	215,573	670,710	(5,482)	(13,028)	37,220	904,993	4,099	909,092
As at 1 January 2024	215,573	709,830	(5,482)	(8,741)	37,220	948,400	3,947	952,347
Total comprehensive income for the period	-	42,400	-	(4,521)	-	37,879	(136)	37,743
Share of associates' accumulated profits transferred to statutory reserve	-	(11)	-	-	11	-	-	-
Dividends paid in respect of 2023, representing total transactions with shareholders recognised directly in equity	-	(31,928)	-	-	-	(31,928)	-	(31,928)
As at 30 June 2024	215,573	720,291	(5,482)	(13,262)	37,231	954,351	3,811	958,162

Statement of Changes in Equity

THE COMPANY	Share capital US\$'000	Retained earnings US\$'000	Treasury shares US\$'000	Foreign Currency translation reserve US\$'000	Statutory reserve US\$'000	Total equity US\$'000
As at 1 January 2023	215,573	647,615	(5,482)	(5,615)	37,203	889,294
Total comprehensive income for the period	-	22,727	-	(7,413)	-	15,314
Share of associates' accumulated profits transferred to statutory reserve	-	(17)	-	-	17	-
Dividends paid in respect of 2022, representing total transactions with shareholders recognised directly in equity	-	(10,308)	-	-	-	(10,308)
As at 30 June 2023	215,573	660,017	(5,482)	(13,028)	37,220	894,300
As at 1 January 2024	215,573	684,462	(5,482)	(8,741)	37,220	923,032
Total comprehensive income for the period	-	40,214	-	(4,521)	-	35,693
Share of associates' accumulated profits transferred to statutory reserve	-	(11)	-	-	11	-
Dividends paid in respect of 2023, representing total transactions with shareholders recognised directly in equity	-	(31,928)	-	-	-	(31,928)
As at 30 June 2024	215,573	692,737	(5,482)	(13,262)	37,231	926,797

D. Condensed consolidated statement of cash flows

Consolidated Statement of Cash Flows

	Note	1H 2024 US\$'000	1H 2023 US\$'000
Cash flows from operating activities			
Profit for the period		42,264	19,405
Adjustments for:-			
Depreciation of property, plant and equipment	5	903	688
Depreciation of right-of-use assets	5	2,940	3,277
Amortisation of intangible assets	5	557	558
Property, plant and equipment written off	5	2	-
Gain on right-of-use asset written off	5	(8)	-
Allowance for impairment loss on doubtful debts	5	1,856	465
Fair value gain on derivative instruments		(4,188)	(3,733)
Share of results of associates		(23,144)	(8,260)
Interest income	5	(8,731)	(9,333)
Interest expense	5	40	-
Lease interest expense	5	174	21
Tax expense	6	5,067	2,226
Unrealised exchange differences		500	(16)
		18,232	5,298
Change in inventories		(36,307)	41,169
Change in trade and other receivables		(413,852)	(138,722)
Change in trade payables, other payables and contract liabilities		416,591	310,916
Cash (used in)/from operating activities		(15,336)	218,661
Tax paid		(3,888)	(1,200)
Net cash (used in)/from operating activities		(19,224)	217,461
Cash flows from investing activities			
Interest received		9,770	8,299
Purchase of property, plant and equipment		(71)	(60)
Purchase of intangible assets		-	(55)
Additional investment in an associate		(164)	-
Dividends received from associates		9,217	14,142
Net cash from investing activities		18,752	22,326
Cash flows from financing activities			
Interest paid		(40)	-
Interest paid on lease liabilities		(174)	(21)
Repayment of lease liabilities		(2,929)	(3,323)
Proceeds from loans and borrowings		63,465	-
Repayment of loans and borrowings		(63,465)	-
Dividends paid		(15,547)	(10,308)
Net cash used in financing activities		(18,690)	(13,652)
Net (decrease)/increase in cash and cash equivalents		(19,162)	226,135
Cash and cash equivalents at beginning of the period		373,040	308,195
Net effect of exchange rate fluctuations on cash held		(500)	16
Cash and cash equivalents at end of the period		353,378	534,346

E. Notes to the condensed consolidated financial statements

1. Corporate information

China Aviation Oil (Singapore) Corporation Ltd (“CAO” or “the Company”) is incorporated and domiciled in Singapore, with its shares being publicly traded on the Mainboard of the Singapore Exchange. These condensed consolidated financial statements as at and for the six months ended 30 June 2024 comprise the Company and its subsidiaries (collectively, “CAO Group” or “the Group”). The principal activities of the Group are jet fuel supply and trading, trading of other oil products and investments in oil-related assets. Consequently, income is derived from (i) supply and trading of jet fuel, (ii) trading in other oil products and (iii) investments in oil-related businesses.

CAO is the largest physical jet fuel buyer in the Asia Pacific region and the key supplier of imported jet fuel to the civil aviation industry of the People’s Republic of China (“PRC”). CAO also engages in the trading of jet fuel and other oil products. The Company has three wholly-owned subsidiaries, namely China Aviation Oil (Hong Kong) Company Limited (“CAOHK”), North American Fuel Corporation (“NAFCO”), and China Aviation Fuel (Europe) Limited (“CAFEU”). The 3 wholly-owned subsidiaries are located in Hong Kong, North America and the United Kingdom respectively. CNAF Hong Kong Refuelling Limited (“CNAF HKR”) which is located in Hong Kong, is a 68% owned subsidiary held through CAOHK.

In addition, CAO Group owns investments in strategic oil-related businesses, which include Shanghai Pudong International Airport Aviation Fuel Supply Company Ltd (“SPIA”), China National Aviation Fuel TSN-PEK Pipeline Transportation Corporation Ltd (“TSN-PEKCL”), Oilhub Korea Yeosu Co., Ltd (“OKYC”), Shenzhen Zhenghe Petrochemicals Co. Ltd (“Zhenghe”) and Aviation Fuel Supply B.V. (“AFS”).

2. Basis of Preparation

The condensed financial statements for the six months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting published by the Accounting and Corporate Regulatory Authority. This report should be read in conjunction with the Group’s annual report for the financial year ended 31 December 2023 and any public announcements made by CAO Group during the reporting period.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed financial statements are presented in United States (US) dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group’s businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

The Group is organised into the following main business segments:

- (a) Middle distillates : Jet fuel and gas oil supply and trading;
- (b) Other oil products: Fuel oil, crude oil and gasoline supply and trading; and
- (c) Investments in oil-related assets: Investments in oil-related assets through the Group's holdings in associates.

These operating segments are reported in a manner consistent with the internal reporting provided to Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments.

4.1 Reporting segments

	Middle distillates	Other oil products	Investment in oil-related assets	Total
1 Jan 2024 to 30 Jun 2024	2024 US\$'000	2024 US\$'000	2024 US\$'000	2024 US\$'000
Revenue	5,083,790	2,451,735	-	7,535,525
Gross profit	21,217	2,964	-	24,181
Other administrative /operating expenses	(6,739)	(941)	-	(7,680)
Depreciation and amortisation	(926)	(129)	-	(1,055)
Foreign exchange gain	233	32	-	265
Interest income	7,661	1,070	-	8,731
Other income	167	23	-	190
Finance costs (net of tax)	(344)	(101)	-	(445)
	-	-	23,144	23,144
Profit before tax	21,269	2,918	23,144	47,331
Tax expense	(3,356)	(463)	(1,248)	(5,067)
Earning for the period	17,913	2,455	21,896	42,264
Segment assets	1,908,176	63,920	267,734	2,239,830
Total assets per statement of financial position				2,239,830
Segment liabilities	1,244,204	25,166	-	1,269,370
Current tax liabilities				3,582
Deferred tax liabilities				8,716
Total liabilities per statement of financial position				1,281,668

	Middle distillates	Other oil products	Investment in oil related assets	Total
1 Jan 2023 to 30 Jun 2023	2023 US\$'000	2023 US\$'000	2023 US\$'000	2023 US\$'000
Revenue	3,250,823	3,026,246	-	6,277,069
Gross profit	8,945	1,703	-	10,648
Other administrative /operating expenses	(4,751)	(905)	-	(5,656)
Depreciation and amortisation	(904)	(172)	-	(1,076)
Foreign exchange gain	184	35	-	219
Interest income	7,840	1,493	-	9,333
Other income	77	15	-	92
Finance costs (net of tax)	(95)	(94)	-	(189)
	-	-	8,260	8,260
Profit before tax	11,296	2,075	8,260	21,631
Tax expense	(1,442)	(265)	(519)	(2,226)
Earning for the period	9,854	1,810	7,741	19,405
Segment assets	1,320,468	198,175	250,255	1,768,898
Total assets per statement of financial position				1,768,898
Segment liabilities	687,163	163,030	-	850,193
Current tax liabilities				2,851
Deferred tax liabilities				6,762
Total liabilities per statement of financial position				859,806

4.2 Disaggregation of Revenue

The Group				
6 months ended 30 June 2024				
	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil related assets US\$'000	Total US\$'000
Sales of goods	5,084,369	2,455,721	-	7,540,090
Trading of oil commodity derivatives	(579)	(3,986)	-	(4,565)
Total revenue	5,083,790	2,451,735	-	7,535,525
Timing of revenue recognition:				
At a point in time	5,084,369	2,455,721	-	7,540,090
Over time	(579)	(3,986)	-	(4,565)
Total revenue	5,083,790	2,451,735	-	7,535,525
Geographical information:				
People's Republic of China	3,646,862	2,033,330	-	5,680,192
USA	469,104	49	-	469,153
Other countries	967,824	418,356	-	1,386,180
Total revenue	5,083,790	2,451,735	-	7,535,525

The Group				
6 months ended 30 June 2023				
	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil related assets US\$'000	Total US\$'000
Sales of goods	3,245,013	3,025,964	-	6,270,977
Trading of oil commodity derivatives	5,810	282	-	6,092
Total revenue	3,250,823	3,026,246	-	6,277,069
Timing of revenue recognition:				
At a point in time	3,245,013	3,025,964	-	6,270,977
Over time	5,810	282	-	6,092
Total revenue	3,250,823	3,026,246	-	6,277,069
Geographical information:				
People's Republic of China	1,857,333	2,072,586	-	3,929,919
Singapore	29,041	511,364	-	540,405
USA	359,451	-	-	359,451
Other countries	1,004,998	442,296	-	1,447,294
Total revenue	3,250,823	3,026,246	-	6,277,069

Revenue contribution from a single region is disclosed separately when it exceeds 5% of the Group's revenue respectively.

5. Profit before tax

5.1 Significant items

The Group		
	1H 2024	1H 2023
	US\$'000	US\$'000
Income		
Bank interest income	8,731	9,333
Gain on right-of-use assets written off	8	-
Net foreign exchange gain	265	219
Expenses		
Depreciation of property, plant and equipment	903	688
Depreciation of right-of-use assets	2,940	3,277
Amortisation of intangible assets	557	558
Property, plant and equipment written off	2	-
Interest expense	40	-
Interest expense - lease liabilities	174	21
Allowance for impairment loss on doubtful debts	1,856	465

5.2 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements.

6. Tax expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed consolidated statement of profit or loss are:

	1H 2024	1H 2023
	US\$'000	US\$'000
Current income tax expense	3,819	1,707
Withholding tax expense	1,248	519
Total tax expense	5,067	2,226

7. Intangible assets

	Goodwill on consolidation US\$'000	Customer contracts US\$'000	Concession operating rights US\$'000	Software US\$'000	Total US\$'000
Group					
Cost					
At 1 January 2023	4,289	634	8,353	3,973	17,249
Additions	–	–	–	76	76
At 31 December 2023 and 30 June 2024	4,289	634	8,353	4,049	17,325
Accumulated amortisation					
At 1 January 2023	–	–	616	3,884	4,500
Amortisation for the year	–	–	1,057	67	1,124
At 31 December 2023	–	–	1,673	3,951	5,624
Amortisation for the period	–	–	528	29	557
At 30 June 2024	–	–	2,201	3,980	6,181
Impairment					
At 1 January 2023	914	634	–	–	1,548
Additions	3,375	–	–	–	3,375
At 31 December 2023 and 30 June 2024	4,289	634	–	–	4,923
Carrying amounts					
At 31 December 2023	–	–	6,680	98	6,778
At 30 June 2024	–	–	6,152	69	6,221
Company					
					Software US\$'000
Cost					
At 1 January 2023					3,973
Additions					76
At 31 December 2023 and 30 June 2024					4,049
Accumulated amortisation					
At 1 January 2023					3,884
Amortisation for the year					67
At 31 December 2023					3,951
Amortisation for the period					29
At 30 June 2024					3,980
Carrying amounts					
At 31 December 2023					98
At 30 June 2024					69

8. Dividends

There is no interim dividend declared or paid for the financial period ended 30 June 2024 and 30 June 2023.

9. Net Asset Value

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
Net asset value per ordinary share (US cents)	110.95	110.26	107.74	107.31
Number of ordinary shares issued ('000)	860,184	860,184	860,184	860,184

10. Associates

	Group		Company	
	30 Jun 2024 US\$'000	31 Dec 2023 US\$'000	30 Jun 2024 US\$'000	31 Dec 2023 US\$'000
Investment in associates	262,234	253,149	262,234	253,149

The Group has one (2023: one) associate that is material and three (2023: three) other associates that are individually immaterial to the Group. All are equity accounted. Details of the material associate of the Group and the Company are as follows:

	Shanghai Pudong International Airport Aviation Fuel Supply Company Ltd (“SPIA”)
Nature of business	Exclusive supplier of jet fuel at Shanghai Pudong International Airport
Principal place of business/Country of incorporation	People’s Republic of China
Ownership interest/Voting rights held	33% (2023: 33%)

11. Financial assets at fair value through other comprehensive income

	30 Jun 2024 US\$'000	31 Dec 2023 US\$'000
Investment in equity instrument designated as at FVTOCI - unquoted equity shares	5,500	5,500

The investment in equity instrument is not held for trading. Instead, it is held for medium- to long-term strategic purposes. Accordingly, management has elected to designate this investment in equity instrument at fair value through other comprehensive income (“FVTOCI”) as they believe that recognising short-term fluctuations in this investment’s fair value in profit or loss would not be consistent with the Group’s strategy of holding this investment for long-term purposes and realising its performance potential in the long run.

No investment in equity instrument measured at FVTOCI has been disposed of during the current reporting period.

12. Trade and other receivables

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables	620,276	351,429	487,151	146,368
Other receivables	49,495	49,984	30,801	31,698
Amounts due from:				
- subsidiaries (trade)	-	-	226,374	312,121
- related corporations (trade)	477,240	435,365	270,147	304,647
- related corporation of a corporate shareholder (trade)	50,849	37,587	50,849	36,639
- subsidiaries (non-trade)	-	-	151,789	83,759
- associate (trade)	173,818	117,012	173,818	117,012
	1,371,678	991,377	1,390,929	1,032,244
Allowance for impairment loss on doubtful debts:				
- trade receivables	(9,079)	(7,223)	(7,566)	(6,358)
Receivables	1,362,599	984,154	1,383,363	1,025,886
Derivative financial assets:				
- oil commodity derivatives	26,782	9,959	21,258	5,579
	1,389,381	994,113	1,404,621	1,031,465
Prepayments	78,138	45,626	-	-
	1,467,519	1,039,739	1,404,621	1,031,465

13. Share capital

The Group and the Company				
	30 Jun 2024		31 Dec 2023	
	Number of shares	Amount	Number of shares	Amount
	'000	US\$'000	'000	US\$'000
Fully paid ordinary shares				
Balance at beginning and end of period	866,184	215,573	866,484	215,573
Treasury shares				
Balance at beginning and end of period	(6,000)	(5,482)	(6,000)	(5,482)
Issued shares excluding treasury shares				
Balance at beginning and end of period	860,184	210,091	860,484	210,091

There are no sales, transfers, cancellation and use of treasury shares from 1 January 2024 to 30 June 2024.

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024 and 31 December 2023.

14. Trade and other payables

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables	753,466	319,851	670,641	241,195
Other payables and accruals	46,932	63,096	42,539	56,288
Dividends payable	16,381	-	16,381	-
Amounts due to:				
- holding company (non-trade)	10,126	10,126	-	-
- subsidiaries (trade)	-	-	224	11,861
- related corporation (trade)	347,833	404,135	347,833	403,488
- related corporation of a corporate shareholder (trade)	62,532	7,273	46,199	-
- subsidiaries (non-trade)	-	-	-	40,192
Derivative financial liabilities:				
- oil commodity derivatives	21,774	9,139	20,359	6,754
	1,259,044	813,620	1,144,176	759,778

15. Borrowings

Amount repayable in one year or less, or on demand

	The Group and the Company	
	30 Jun 2024 US\$'000	31 Dec 2023 US\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	-	-
Unsecured	-	-
<u>Amount repayable after one year</u>		
Secured	-	-
Unsecured	-	-

16. Fair value measurement

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

At the reporting date, the carrying amounts of the Group's and the Company's financial instruments carried at cost or amortised cost approximate their fair values because of the short period to maturity.

Group	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
30 Jun 2024				
Financial assets at FVTOCI*	-	-	5,500	5,500
Derivative financial assets	-	26,782	-	26,782
Derivative financial liabilities	-	(21,774)	-	(21,774)
	-	5,008	5,500	10,508
31 Dec 2023				
Financial assets at FVTOCI*	-	-	5,500	5,500
Derivative financial assets	-	9,959	-	9,959
Derivative financial liabilities	-	(9,139)	-	(9,139)
	-	820	5,500	6,320

Company	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
30 Jun 2024				
Derivative financial assets	-	21,258	-	21,258
Derivative financial liabilities	-	(20,359)	-	(20,359)
	-	899	-	899
31 Dec 2023				
Derivative financial assets	-	5,579	-	5,579
Derivative financial liabilities	-	(6,754)	-	(6,754)
	-	(1,175)	-	(1,175)

* There was no movement to the Level 3 fair value measurement of the financial asset during the current reporting period.

17. Change of Equity Interest in Associated Company

The Company had on 28 June 2024 acquired 1% of the total equity interest in Zhenghe from its parent company, China National Aviation Fuel Group Limited at a cash consideration of RMB 1,168,689 (approximately US\$0.16 million). With the aforesaid acquisition, the Company's equity interest in Zhenghe increased from 39% to 40%.

18. Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.

OTHER INFORMATION

1. Review

The condensed consolidated statement of financial position of China Aviation Oil (Singapore) Corporation Ltd and its subsidiaries as at 30 June 2024 and the related consolidated profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Consolidated Statement of Comprehensive Income

1H 2024 v 1H 2023

The Group's net profit increased by US\$22.86 million (117.80%) to US\$42.26 million for the first half year ended 30 June 2024 ("1H 2024") compared to US\$19.40 million for the first half year ended 30 June 2023 ("1H 2023"), mainly attributable to the increase in gross profit and share of results from associates, partially offset by the increase in expenses.

Total supply and trading volume increased by 0.71 million metric tonnes ("mt") (7.51%) to 10.17 million mt for 1H 2024 compared to 9.46 million mt for 1H 2023. Volume for middle distillates increased by 2.30 million mt (58.67%) to 6.22 million mt from 3.92 million mt, of which jet fuel supply and trading volume increased by 2.47 million mt (65.87%) to 6.22 million mt for 1H 2024 compared to 3.75 million mt for 1H 2023. Trading volume for gas oil was nil for 1H 2024 compared to 0.17 million mt for 1H 2023. The trading volume of other oil products decreased by 1.59 million mt (28.70%) to 3.95 million mt for 1H 2024 compared to 5.54 million mt for 1H 2023, mainly attributable to lower trading volume for fuel oil and crude oil.

Total revenue increased by US\$1,258.46 million (20.05%) to US\$7,535.53 million for 1H 2024 from US\$6,277.07 million for 1H 2023, mainly attributable to the increase in oil price and business volume.

Total gross profit was US\$24.18 million for 1H 2024, an increase of US\$13.53 million (127.09%) compared to US\$10.65 million for 1H 2023 mainly due to higher profits derived from jet fuel supply business, in line with the increase in jet fuel supply volume.

Other operating income was US\$9.19 million for 1H 2024 compared to US\$9.65 million for 1H 2023, a decrease of US\$0.46 million (4.75%) largely attributable to lower interest income. Bank interest income derived from fixed deposits and interest-bearing funds placed with banks was US\$8.73 million for 1H 2024 compared to US\$9.33 million for 1H 2023, a decrease of US\$0.60 million mainly due to lower deposits, partially offset by the increase of US\$0.04 million and US\$0.10 million in exchange gain and other income respectively.

Total expenses increased by US\$2.26 million (32.64%) to US\$9.18 million for 1H 2024 compared to US\$6.92 million for 1H 2023, mainly attributable to the increase of US\$1.39 million in provision for expected credit loss ("ECL"). Staff costs and information technology expenses increased by US\$0.43 million and US\$0.22 million respectively y-o-y.

Share of results from associates was US\$23.14 million for 1H 2024 compared to US\$8.26 million for 1H 2023, an increase of US\$14.88 million (180.19%), mainly attributable to higher contributions from SPIA. Share of results from SPIA was US\$22.38 million for 1H 2024 compared to US\$8.78 million for 1H 2023, an increase of US\$13.60 million or 154.90%, mainly attributable to higher refuelling volume which led to higher revenue and profit. Share of results from other associates was US\$0.76 million for 1H 2024 compared to -US\$0.52 million for 1H 2023, an improvement of US\$1.28 million, mainly due to higher contributions from TSN-PEKCL and OKYC.

Income tax expense was US\$5.07 million for 1H 2024 compared to US\$2.23 million for 1H 2023, an increase of US\$2.84 million (127.63%) mainly attributable to higher tax provision for profits derived in 1H 2024.

Net profit attributable to owners of the Company was US\$42.40 million for 1H 2024 compared to US\$19.74 million for 1H 2023. Net profit attributable to non-controlling interest was -US\$0.14 million for 1H 2024 compared to -US\$0.33 million for 1H 2023.

Earnings per share attributable to owners of the Company was 4.93 US cents for 1H 2024 compared to 2.29 US cents for 1H 2023.

Consolidated Statements of Financial Position

The Group's current assets stood at US\$1,945.47 million as at 30 June 2024 compared to US\$1,501.04 million as at 31 December 2023. The increase of US\$444.43 million in current assets resulted from the increase of US\$427.78 million in trade and other receivables and the increase of US\$36.31 million in inventories, offset by the decrease of US\$19.66 million in cash and cash equivalents.

Non-current assets stood at US\$294.36 million as at 30 June 2024 compared to US\$286.47 million as at 31 December 2023, an increase of US\$7.89 million mainly attributable to the increase in associates. The increase is due to share of results for 1H 2024 partially offset by the dividends declared by associates and foreign currencies translation loss in 1H 2024.

Current liabilities which comprised trade and other payables, contract liabilities, short term lease liabilities and tax liabilities, increased by US\$444.15 million to US\$1,270.63 million as at 30 June 2024 compared to US\$826.48 million as at 31 December 2023, mainly attributable to the increase of US\$445.42 million in trade and other payables.

Non-current liabilities which comprised lease liabilities and deferred tax liabilities increased by US\$2.35 million to US\$11.04 million as at 30 June 2024 compared to US\$8.69 million as at 31 December 2023.

The equity attributable to owners of the Company stood at US\$954.35 million as at 30 June 2024, or 110.95 US cents per share, compared to US\$948.40 million as at 31 December 2023 or 110.26 US cents per share. Equity attributable to the non-controlling interests was US\$3.81 million as at 30 June 2024 compared to US\$3.95 million as at 31 December 2023.

Consolidated Statement of Cash Flows

1H 2024 v 1H 2023

Net cash used in operating activities was US\$19.22 million in 1H 2024 compared to net cash generated from operating activities of US\$217.46 million in 1H 2023, mainly attributable to higher utilisation of working capital for trading activities in 1H 2024.

Net cash generated from investing activities were US\$18.75 million in 1H 2024 compared to US\$22.33 million in 1H 2023, a decrease of US\$3.58 million mainly attributable to lower receipt of dividends from associates.

Net cash used in financing activities in 1H 2024 were US\$18.69 million compared to US\$13.65 million in 1H 2023, an increase of US\$5.04 million mainly attributable to the increase of US\$5.24 million in dividends paid in 1H 2024.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

4. A commentary at the date of the announcement of the significant trends and 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.

Based on International Air Transport Association's recent report on "Global Outlook for Air Transport"¹, total air passenger traffic in 2024 has surpassed pre-pandemic levels, and the anticipated increase in total passenger numbers for 2024 is 10.4% year-on-year. Air passenger traffic in the Asia Pacific region is expected to experience the highest growth rate in 2024 from a lower base in 2023 as China continues to drive developments in this region. According to a report² published by The Civil Aviation Administration of China, the international air passenger demand in China grew rapidly in the first half of 2024, with a remarkable rebound exceeding 80% of pre-pandemic levels for 5 consecutive months since February 2024 and further growth in the international air passenger traffic is expected in the second half of the year.

With global economic uncertainties, geopolitical risks, oil price volatility, impaired supply chains and continued inflation, global market conditions are expected to remain very challenging. Despite these challenges, the continual recovery in the global aviation industry and the transformative trends in sustainable aviation fuel as an energy resource to decarbonisation will bring opportunities for the Group to leverage on its operational resilience, market adaptability and strong balance sheet, to further build on its jet fuel supply and trading network through investments in synergetic and strategic oil-related assets and businesses, as well as deliver long-term sustainable returns to shareholders.

¹ <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport-june-2024-report/>

² <http://www.caacnews.com.cn/special/7848/8142/>

Overall, the Group remains cautiously optimistic on its performance for the rest of the current financial year.

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? No

5b. Corresponding Period of the Immediate Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No

5c. Date Payable

Not Applicable.

5d. Books Closure Date

Not Applicable.

5e. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision

Not Applicable.

6. Interested person transactions

The Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**Listing Manual**”).

Aggregate value of interested person transactions for the period from 1 January 2024 to 30 June 2024.

	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920)		Aggregate value of interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		1H 2024 US\$’000	1H 2023 US\$’000	1H 2024 US\$’000	1H 2023 US\$’000
Sales from related corporations	Associates of Controlling Shareholder, China National Aviation Fuel Group Limited	-	-	2,293,071	1,149,787
Purchases from related corporations		-	-	2,419,218	140,924
Supply chain services rendered from related corporations		-	-	1,808	2,684
Purchases of into-plane services from a related corporation		-	-	189	54
Fixed deposit placed with related corporations		-	-	225,000	1,159,162
Interest income earned from fixed deposit placed with related corporation		-	-	3,381	5,038
Acquisition of additional shares in associate held by a related corporation	Controlling Shareholder, China National Aviation Fuel Group Limited	164	-	-	-

	Nature of Relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
		1H 2024 US\$'000	1H 2023 US\$'000	1H 2024 US\$'000	1H 2023 US\$'000
Sales from related corporations	Associates of Controlling Shareholder, BP Investments Asia Limited	-	-	175,996	-
Purchases from related corporations		-	-	237,051	343,873

* Based on the shareholders' approval obtained at the Annual General Meeting of the Company held on 18 April 2017 for the jet fuel transportation services framework agreement entered into between China National Aviation Fuel TSN-PEK Pipeline Transportation Corporation Ltd ("TSN-PEKCL") and China National Aviation Fuel Corporation Ltd ("CNAFCL") relating to the provision of pipeline transportation services by TSN-PEKCL to CNAFCL

7. Confirmation that the issuer has procured undertaking from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual

The Company confirms that it has procured undertakings from all its Directors and Executive Officers pursuant to Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Doreen Nah
Company Secretary
14 August 2024



CHINA AVIATION OIL (SINGAPORE) CORPORATION LTD
Registration No. 199303293Z

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we, the undersigned, 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 condensed financial statements for the half year ended 30 June 2024 to be false or misleading in any material respect.

ON BEHALF OF THE BOARD OF DIRECTORS

Teo Ser Luck
Director

Lin Yi
Director

14 August 2024