



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

Condensed Consolidated Financial Statements For The Second Half and Year Ended 31 December 2023

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

Consolidated Statement of Profit or Loss

	Note	2H 2023 US\$'000	2H 2022 US\$'000	Variance + / - %	FY 2023 US\$'000	FY 2022 US\$'000	Variance + / - %
Revenue	4	8,152,504	7,175,815	13.61	14,429,573	16,464,124	-12.36
Cost of sales		(8,112,554)	(7,161,956)	13.27	(14,378,975)	(16,428,733)	-12.48
Gross Profit		39,950	13,859	188.26	50,598	35,391	42.97
Other operating income		9,072	2,028	347.34	18,716	1,005	1,762.29
Administrative expenses		(10,808)	(9,150)	18.12	(16,658)	(14,486)	14.99
Other operating expenses		(15,427)	1,392	NM	(16,309)	(955)	1,607.75
Finance costs		(547)	(454)	20.48	(736)	(1,150)	-36.00
Operating Profit		22,240	7,675	189.77	35,611	19,805	79.81
Share of results of associates (net of tax)		22,058	8,224	168.21	30,318	17,902	69.36
Profit before tax	5	44,298	15,899	178.62	65,929	37,707	74.85
Tax expense	6	(5,330)	(2,327)	129.05	(7,556)	(4,521)	67.13
Profit for the period/year		38,968	13,572	187.12	58,373	33,186	75.90

Condensed consolidated statement of other comprehensive income

Consolidated Statement of Other Comprehensive Income

	2H 2023	2H 2022	Variance	FY 2023	FY 2022	Variance
	US\$'000	US\$'000	+ / - %	US\$'000	US\$'000	+ / - %
PROFIT FOR THE PERIOD/YEAR	38,968	13,572	187.12	58,373	33,186	75.90
Other comprehensive income/(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))	4,287	(5,988)	NM	(3,126)	(20,074)	-84.43
Total other comprehensive income/(loss) for the period/year	4,287	(5,988)	NM	(3,126)	(20,074)	-84.43
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD/YEAR	43,255	7,584	470.35	55,247	13,112	321.35
Profit attributable to:						
Owners of the Company	39,120	13,872	182.01	58,856	33,532	75.52
Non-controlling interests	(152)	(300)	-49.33	(483)	(346)	39.60
	38,968	13,572	187.12	58,373	33,186	75.90
Total comprehensive income attributable to:						
Owners of the Company	43,407	7,884	450.57	55,730	13,458	314.10
Non-controlling interests	(152)	(300)	-49.33	(483)	(346)	39.60
	43,255	7,584	470.35	55,247	13,112	321.35
Earnings per share for profit for the period attributable to the owners of the Company during the period/year:						
Basic (USD in cent)	4.55	1.61	182.61	6.84	3.90	75.38
Diluted (USD in cent)	4.55	1.61	182.61	6.84	3.90	75.38

Note (a): Compared to the end of December 2022, the RMB and Korean Won depreciated approximately 1.67% (2022: 8.46%) and 1.27% (2022: 5.95%) respectively against the US Dollar during the twelve months ended 31 December 2023 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 31 Dec 2023 US\$'000	As at 31 Dec 2022 US\$'000	As at 31 Dec 2023 US\$'000	As at 31 Dec 2022 US\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	7	15,271	5,264	13,400	3,140
Intangible assets	8	6,778	11,201	98	89
Subsidiaries		-	-	35,611	34,921
Associates	11	253,149	259,777	253,149	259,777
Financial asset at FVTOCI	12	5,500	5,500	-	-
Right-of-use assets		5,772	11,971	3,761	8,299
		286,470	293,713	306,019	306,226
Current assets					
Inventories		88,265	182,089	886	144,386
Trade and other receivables	13	1,039,739	715,621	1,031,465	641,734
Cash and cash equivalents		373,040	308,195	359,281	293,046
		1,501,044	1,205,905	1,391,632	1,079,166
Total assets		1,787,514	1,499,618	1,697,651	1,385,392
EQUITY AND LIABILITIES					
Capital, Reserves and Non-controlling interests					
Share capital	14	215,573	215,573	215,573	215,573
Reserves		732,827	687,405	707,459	673,721
Equity attributable to owners of the Company		948,400	902,978	923,032	889,294
Non-controlling interests		3,947	4,430	-	-
Total equity		952,347	907,408	923,032	889,294
Non-current liabilities					
Lease liabilities		734	4,281	3	2,026
Deferred tax liabilities		7,952	7,501	7,952	7,501
		8,686	11,782	7,955	9,527
Current liabilities					
Trade and other payables	15	813,620	564,884	759,778	478,271
Contract liabilities		3,619	4,916	-	-
Lease liabilities		5,559	8,283	3,844	6,432
Current tax liabilities		3,683	2,345	3,042	1,868
		826,481	580,428	766,664	486,571
Total liabilities		835,167	592,210	774,619	496,098
Total equity and liabilities		1,787,514	1,499,618	1,697,651	1,385,392

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 2022	215,573	639,656	(5,482)	14,459	37,163	901,369	-	901,369
Total comprehensive income for the year	-	33,532	-	(20,074)	-	13,458	(346)	13,112
Share of associates' accumulated profits transferred to statutory reserve	-	(40)	-	-	40	-	-	-
Dividends paid in respect of 2021, representing total transactions with shareholders recognised directly in equity	-	(11,849)	-	-	-	(11,849)	-	(11,849)
Non-controlling interests on acquisition of subsidiary	-	-	-	-	-	-	4,776	4,776
As at 31 December 2022	215,573	661,299	(5,482)	(5,615)	37,203	902,978	4,430	907,408
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 year	-	58,856	-	(3,126)	-	55,730	(483)	55,247
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 31 December 2023	215,573	709,830	(5,482)	(8,741)	37,220	948,400	3,947	952,347

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 2022	215,573	630,772	(5,482)	14,475	37,163	892,501
Total comprehensive income for the year	-	28,732	-	(20,090)	-	8,642
Share of associates' accumulated profits transferred to statutory reserve	-	(40)	-	-	40	-
Dividends paid in respect of 2021, representing total transactions with shareholders recognised directly in equity	-	(11,849)	-	-	-	(11,849)
As at 31 December 2022	215,573	647,615	(5,482)	(5,615)	37,203	889,294
As at 1 January 2023	215,573	647,615	(5,482)	(5,615)	37,203	889,294
Total comprehensive income for the year	-	47,172	-	(3,126)	-	44,046
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 31 December 2023	215,573	684,462	(5,482)	(8,741)	37,220	923,032

D. Condensed consolidated statement of cash flows

Consolidated Statement of Cash Flows

	Note	FY 2023 US\$'000	FY 2022 US\$'000
Cash flows from operating activities			
Profit for the year		58,373	33,186
Adjustments for:-			
Depreciation of property, plant and equipment	5	1,474	1,129
Depreciation of right-of-use assets	5	5,976	8,052
Amortisation of intangible assets	5	1,124	691
Loss on Property, plant and equipment written off	5	2	23
Gain on right-of-use asset written off	5	(74)	-
Gain on deemed disposal of interest in an associate	5	-	(820)
Allowance for impairment loss on doubtful debts	5	1,161	201
Allowance for impairment loss on associates	5	8,654	-
Allowance for impairment on goodwill	5	3,375	-
Fair value gain on derivative instruments		(4,572)	(1,052)
Share of results of associates		(30,318)	(17,902)
Interest income	5	(17,742)	(3,288)
Interest expense	5	2	6
Dividend income from financial asset at FVTOCI	5	(482)	-
Lease interest expense	5	289	199
Tax expense	6	7,556	4,521
Unrealised exchange differences		(604)	1,652
		34,194	26,598
Change in inventories		93,824	(139,163)
Change in trade and other receivables		(350,622)	89,722
Change in trade and other payables		281,674	(64,462)
Cash from/(used in) operating activities		59,070	(87,305)
Tax paid		(4,512)	(1,463)
Net cash from/(used in) operating activities		54,558	(88,768)
Cash flows from investing activities			
Interest received		14,019	3,562
Purchase of property, plant and equipment	7	(11,483)	(287)
Purchase of intangible assets	8	(76)	(32)
Acquisition of subsidiary, net of cash acquired		-	571
Dividends received from financial asset at FVTOCI		482	-
Dividends received from associates		23,313	20,632
Net cash from investing activities		26,255	24,446
Cash flows from financing activities			
Interest paid		(2)	(6)
Interest paid on lease liabilities		(289)	(199)
Repayment of lease liabilities		(5,973)	(8,414)
Proceeds from loans and borrowings		8,991	25,000
Repayment of loans and borrowings		(8,991)	(31,200)
Dividends paid		(10,308)	(11,849)
Net cash used in financing activities		(16,572)	(26,668)
Net increase/(decrease) in cash and cash equivalents		64,241	(90,990)
Cash and cash equivalents at beginning of the year		308,195	400,837
Net effect of exchange rate fluctuations on cash held		604	(1,652)
Cash and cash equivalents at end of the year		373,040	308,195

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 and full-year ended 31 December 2023 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 the (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 and full year ended 31 December 2023 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. This report should be read in conjunction with the Group's annual report for the financial year ended 31 December 2022 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 2022.

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 Jul 2023 to 31 Dec 2023	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	5,443,028	2,709,476	-	8,152,504
Gross profit	35,851	4,099	-	39,950
Other administrative /operating expenses	(11,987)	(1,263)	(12,029)	(25,279)
Depreciation and amortisation	(895)	(61)	-	(956)
Foreign exchange gain	120	5	-	125
Interest income	7,868	541	-	8,409
Other income	481	57	-	538
Finance costs	(207)	(340)	-	(547)
Share of results of associates	-	-	22,058	22,058
Profit before tax	31,231	3,038	10,029	44,298
Tax expense	(4,022)	(118)	(1,190)	(5,330)
Earnings for the period	27,209	2,920	8,839	38,968
Segment assets/Total assets per statement of financial position	1,464,945	63,920	258,649	1,787,514
Segment liabilities	798,366	25,166	-	823,532
Current tax liabilities				3,683
Deferred tax liabilities				7,952
Total liabilities per statement of financial position				835,167

	Middle distillates	Other oil products	Investment in oil related assets	Total
1 Jul 2022 to 31 Dec 2022	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	4,191,201	2,984,614	-	7,175,815
Gross profit	12,742	1,117	-	13,859
Other administrative /operating expenses	(6,221)	(456)	-	(6,677)
Depreciation and amortisation	(1,009)	(72)	-	(1,081)
Foreign exchange loss	(1,473)	(121)	-	(1,594)
Interest income	2,579	137	-	2,716
Gain on deemed disposal of an associate	-	-	677	677
Other income	210	19	-	229
Finance costs	(145)	(309)	-	(454)
Share of results of associates	-	-	8,224	8,224
Profit before tax	6,683	315	8,901	15,899
Tax expense	(1,797)	(24)	(506)	(2,327)
Earnings for the period	4,886	291	8,395	13,572
Segment assets/Total assets per statement of financial position	1,181,909	52,433	265,276	1,499,618
Segment liabilities	526,815	55,549	-	582,364
Current tax liabilities				2,345
Deferred tax liabilities				7,501
Total liabilities per statement of financial position				592,210

	Middle distillates	Other oil products	Investment in oil related assets	Total
1 Jan 2023 to 31 Dec 2023	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	8,693,851	5,735,722	-	14,429,573
Gross profit	44,796	5,802	-	50,598
Other administrative /operating expenses	(16,738)	(2,168)	(12,029)	(30,935)
Depreciation and amortisation	(1,799)	(233)	-	(2,032)
Foreign exchange gain	304	40	-	344
Interest income	15,708	2,034	-	17,742
Other income	558	72	-	630
Finance costs	(302)	(434)	-	(736)
Share of results of associates	-	-	30,318	30,318
Profit before tax	42,527	5,113	18,289	65,929
Tax expense	(5,464)	(383)	(1,709)	(7,556)
Earnings for the year	37,063	4,730	16,580	58,373
Segment assets/Total assets per statement of financial position	1,464,945	63,920	258,649	1,787,514
Segment liabilities	798,366	25,166	-	823,532
Current tax liabilities				3,683
Deferred tax liabilities				7,952
Total liabilities per statement of financial position				835,167

	Middle distillates	Other oil products	Investment in oil related assets	Total
1 Jan 2022 to 31 Dec 2022	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	8,529,418	7,934,706	-	16,464,124
Gross profit	33,760	1,631	-	35,391
Other administrative /operating expenses	(12,734)	(615)	-	(13,349)
Depreciation and amortisation	(1,996)	(96)	-	(2,092)
Foreign exchange loss	(3,537)	(171)	-	(3,708)
Interest income	3,137	151	-	3,288
Gain on deemed disposal of an associate	-	-	820	820
Other income	577	28	-	605
Finance costs	(354)	(796)	-	(1,150)
Share of results of associates	-	-	17,902	17,902
Profit before tax	18,853	132	18,722	37,707
Tax expense	(3,446)	(24)	(1,051)	(4,521)
Earnings for the year	15,407	108	17,671	33,186
Segment assets/Total assets per statement of financial position	1,181,909	52,433	265,276	1,499,618
Segment liabilities	526,815	55,549	-	582,364
Current tax liabilities				2,345
Deferred tax liabilities				7,501
Total liabilities per statement of financial position				592,210

4.2 Disaggregation of Revenue

The Group				
6 months ended 31 December 2023				
	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil related assets US\$'000	Total US\$'000
Sales of goods	5,453,772	2,709,910	-	8,163,682
Trading of oil commodity derivatives	(10,744)	(434)	-	(11,178)
Total revenue	5,443,028	2,709,476	-	8,152,504
Timing of revenue recognition:				
At a point in time	5,453,772	2,709,910	-	8,163,682
Over time	(10,744)	(434)	-	(11,178)
Total revenue	5,443,028	2,709,476	-	8,152,504
Geographical information:				
People's Republic of China	3,117,647	1,730,797	-	4,848,444
Singapore	76,445	318,971	-	395,416
Netherland	940,653	-	-	940,653
USA	528,026	-	-	528,026
Other countries	780,257	659,708	-	1,439,965
Total revenue	5,443,028	2,709,476	-	8,152,504

The Group				
6 months ended 31 December 2022				
	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil related assets US\$'000	Total US\$'000
Sales of goods	4,212,209	2,984,597	-	7,196,806
Trading of oil commodity derivatives	(21,008)	17	-	(20,991)
Total revenue	4,191,201	2,984,614	-	7,175,815
Timing of revenue recognition:				
At a point in time	4,212,209	2,984,597	-	7,196,806
Over time	(21,008)	17	-	(20,991)
Total revenue	4,191,201	2,984,614	-	7,175,815
Geographical information:				
People's Republic of China	1,905,256	1,338,704	-	3,243,960
Singapore	221,508	845,354	-	1,066,862
Netherland	725,017	-	-	725,017
USA	438,375	-	-	438,375
Other countries	901,045	800,556	-	1,701,601
Total revenue	4,191,201	2,984,614	-	7,175,815

The Group				
12 months ended 31 December 2023				
	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil related assets US\$'000	Total US\$'000
Sales of goods	8,698,785	5,735,874	-	14,434,659
Trading of oil commodity derivatives	(4,934)	(152)	-	(5,086)
Total revenue	8,693,851	5,735,722	-	14,429,573
Timing of revenue recognition:				
At a point in time	8,698,785	5,735,874	-	14,434,659
Over time	(4,934)	(152)	-	(5,086)
Total revenue	8,693,851	5,735,722	-	14,429,573
Geographical information:				
People's Republic of China	4,974,980	3,803,383	-	8,778,363
Singapore	105,486	830,335	-	935,821
Netherland	940,653	-	-	940,653
USA	887,477	-	-	887,477
Other countries	1,785,255	1,102,004	-	2,887,259
Total revenue	8,693,851	5,735,722	-	14,429,573

The Group				
12 months ended 31 December 2022				
	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil related assets US\$'000	Total US\$'000
Sales of goods	8,648,537	7,934,841	-	16,583,378
Trading of oil commodity derivatives	(119,119)	(135)	-	(119,254)
Total revenue	8,529,418	7,934,706	-	16,464,124
Timing of revenue recognition:				
At a point in time	8,648,537	7,934,841	-	16,583,378
Over time	(119,119)	(135)	-	(119,254)
Total revenue	8,529,418	7,934,706	-	16,464,124
Geographical information:				
People's Republic of China	3,886,863	4,890,988	-	8,777,851
Singapore	404,019	1,502,478	-	1,906,497
Netherland	1,426,923	-	-	1,426,923
USA	933,620	-	-	933,620
Other countries	1,877,993	1,541,240	-	3,419,233
Total revenue	8,529,418	7,934,706	-	16,464,124

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

A breakdown of sales as follows:

The Group			
	Financial year ended 31 December 2023 US\$'000	Financial year ended 31 December 2022 US\$'000	Increase/ (Decrease) %
Sales reported for first half year	6,277,069	9,288,309	-32.42
Operating profit after tax before deducting non-controlling interests reported for first half year	19,405	19,614	-1.07
Sales reported for second half year	8,152,504	7,175,815	13.61
Operating profit after tax before deducting non-controlling interests reported for second half year	38,968	13,572	187.12

5. Profit before tax

5.1 Significant items

The Group				
	2H 2023 US\$'000	2H 2022 US\$'000	FY 2023 US\$'000	FY 2022 US\$'000
Income				
Bank interest income	8,409	2,716	17,742	3,288
Gain on deemed disposal of an associate	-	677	-	820
Net foreign exchange gain/(loss)	125	(1,594)	344	(3,708)
Dividend income from financial asset measured at FVTOCI	482	-	482	-
Expenses				
Depreciation of property, plant and equipment	786	650	1,474	1,129
Depreciation of right-of-use assets	2,699	4,137	5,976	8,052
Amortisation of intangible assets	565	585	1,124	691
Property, plant and equipment written off	2	-	2	23
Gain on right-of-use assets written off	(74)	-	(74)	-
Interest expense	2	2	2	6
Interest expense - lease liabilities	268	111	289	199
Impairment for investment in associate	8,654	-	8,654	-
Impairment on intangible assets	3,375	-	3,375	-
Allowance for (Reversal of) impairment loss on doubtful debts	696	(2,000)	1,161	201

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:

	2H 2023	2H 2022	FY 2023	FY 2022
	US\$'000	US\$'000	US\$'000	US\$'000
Current tax expense	4,121	1,255	5,828	2,688
Tax expense under provided in prior years	19	284	19	284
Utilisation of previously unused tax losses/ capital allowances	-	230	-	446
Withholding tax expense	1,190	558	1,709	1,103
Total tax expense	5,330	2,327	7,556	4,521

7. Property, plant and equipment

Group	Leasehold properties US\$'000	Motor vehicles US\$'000	Furniture and fittings US\$'000	Equipment US\$'000	Renovations US\$'000	Computers US\$'000	Total US\$'000
Cost							
At 1 January 2022	9,205	357	268	754	1,135	1,497	13,216
Additions	–	22	179	1	–	85	287
Adjustment	–	(47)	–	(44)	57	34	–
Acquisition of a subsidiary	–	2,113	4	183	–	3	2,303
Written off	–	–	(6)	(169)	–	(377)	(552)
At 31 December 2022	9,205	2,445	445	725	1,192	1,242	15,254
Additions*	10,693	404	13	8	190	175	11,483
Written off	–	–	(10)	–	–	(24)	(34)
At 31 December 2023	19,898	2,849	448	733	1,382	1,393	26,703
Accumulated depreciation							
At 1 January 2022	6,430	147	128	629	997	1,059	9,390
Depreciation for the year	449	371	42	72	32	163	1,129
Adjustment	–	(56)	–	(11)	64	3	–
Written off	–	–	(6)	(165)	–	(358)	(529)
At 31 December 2022	6,879	462	164	525	1,093	867	9,990
Depreciation for the year	550	625	64	74	22	139	1,474
Written off	–	–	(9)	–	–	(23)	(32)
At 31 December 2023	7,429	1,087	219	599	1,115	983	11,432
Carrying amounts							
At 31 December 2022	2,326	1,983	281	200	99	375	5,264
At 31 December 2023	12,469	1,762	229	134	267	410	15,271

Company	Leasehold properties US\$'000	Motor vehicles US\$'000	Furniture and fittings US\$'000	Equipment US\$'000	Renovations US\$'000	Computers US\$'000	Total US\$'000
Cost							
At 1 January 2022	9,205	236	133	674	1,106	1,325	12,679
Additions	–	–	170	–	–	63	233
Written off	–	–	(6)	(169)	–	(373)	(548)
At 31 December 2022	9,205	236	297	505	1,106	1,015	12,364
Additions*	10,693	–	–	–	190	153	11,036
At 31 December 2023	19,898	236	297	505	1,296	1,168	23,400
Accumulated depreciation							
At 1 January 2022	6,430	62	43	601	980	932	9,048
Depreciation for the year	449	29	27	33	32	131	701
Written off	–	–	(6)	(164)	–	(355)	(525)
At 31 December 2022	6,879	91	64	470	1,012	708	9,224
Depreciation for the year	551	28	55	10	21	111	776
At 31 December 2023	7,430	119	119	480	1,033	819	10,000
Carrying amounts							
At 31 December 2022	2,326	145	233	35	94	307	3,140
At 31 December 2023	12,468	117	178	25	263	349	13,400

*In 2H 2023, the Group and Company had completed the acquisition of an office unit located at 8 Temasek Boulevard #31-03, Suntec Tower 3, Singapore 038988 for a total cash consideration of US\$10,693,000. This acquisition which was fully paid in cash was financed by internal resources.

8. Intangible assets

Group	Goodwill on consolidation US\$'000	Customer contracts US\$'000	Concession operating rights US\$'000	Software US\$'000	Total US\$'000
Cost					
At 1 January 2022	1,181	634	–	4,046	5,861
Additions	–	–	–	32	32
Acquisition of a subsidiary	3,108	–	8,353	–	11,461
Written off	–	–	–	(105)	(105)
At 31 December 2022	4,289	634	8,353	3,973	17,249
Additions	–	–	–	76	76
At 31 December 2023	4,289	634	8,353	4,049	17,325
Accumulated amortisation					
At 1 January 2022	–	–	–	3,914	3,914
Amortisation for the year	–	–	616	75	691
Written off	–	–	–	(105)	(105)
At 31 December 2022	–	–	616	3,884	4,500
Amortisation for the year	–	–	1,057	67	1,124
At 31 December 2023	–	–	1,673	3,951	5,624
Impairment					
At 1 January 2022, 31 December 2022	914	634	–	–	1,548
Additions	3,375	–	–	–	3,375
At 31 December 2023	4,289	634	–	–	4,923
Carrying amounts					
At 31 December 2022	3,375	–	7,737	89	11,201
At 31 December 2023	–	–	6,680	98	6,778

Company	Software US\$'000
Cost	
At 1 January 2022	4,046
Additions	32
Written off	(105)
At 31 December 2022	3,973
Additions	76
At 31 December 2023	4,049
Accumulated amortisation	
At 1 January 2022	3,914
Amortisation for the year	75
Written off	(105)
At 31 December 2022	3,884
Amortisation for the year	67
At 31 December 2023	3,951
Carrying amounts	
At 31 December 2022	89
At 31 December 2023	98

9. Dividends

The Group		
	Financial Year 2023 US\$'000	Financial Year 2022 US\$'000
Ordinary dividends paid:		
Final dividend	10,308	11,849
Total:	10,308	11,849
Dividend per share (net of tax) - Singapore cents	1.60	1.90

10. Net Asset Value

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
Net asset value per ordinary share (US cents)	110.26	104.97	107.31	103.39
Number of ordinary shares issued ('000)	860,184	860,184	860,184	860,184

11. Associates

	Group		Company	
	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000
Investment in associates	253,149	259,777	253,149	259,777

The Group has one (2022: one) associate that is material and three (2022: 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% (2022: 33%)

12. Financial assets at fair value through other comprehensive income

	31 Dec 2022 US\$'000	31 Dec 2022 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 as at 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.

13. Trade and other receivables

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	US\$'000	US\$'000	US\$'000	US\$'000
Trade receivables	351,429	170,273	146,368	102,552
Other receivables	49,984	53,890	31,698	36,746
Amounts due from:				
- subsidiaries (trade)	-	-	312,121	170,279
- related corporations (trade)	435,365	216,155	304,647	105,192
- related corporation of a corporate shareholder (trade)	37,587	102,877	36,639	5,638
- holding company (non-trade)	-	2	-	2
- subsidiaries (non-trade)	-	-	83,759	100,238
- associate (trade)	117,012	84,536	117,012	84,536
	991,377	627,733	1,032,244	605,183
Allowance for impairment loss on doubtful debts:				
- trade receivables	(7,223)	(6,062)	(6,358)	(5,405)
Loans and receivables	984,154	621,671	1,025,886	599,778
Derivative financial assets:				
- oil commodity derivatives	9,959	39,621	5,579	40,559
	994,113	661,292	1,031,465	640,337
Prepayments	45,626	54,329	-	1,397
	1,039,739	715,621	1,031,465	641,734

14. Share capital

The Group and the Company				
	31 Dec 2023		31 Dec 2022	
	Number of shares	Amount	Number of shares	Amount
	'000	US\$'000	'000	US\$'000
Beginning of year	866,184	215,573	866,184	215,573
Treasury shares				
Balance at beginning of year	(6,000)	(5,482)	(6,000)	(5,482)
Additions during the year	-	-	-	-
Balance at end of year	(6,000)	(5,482)	(6,000)	(5,482)
End of year	860,184	210,091	860,184	210,091

There are no sales, transfers, cancellation and use of treasury shares from 1 January 2023 to 31 December 2023.

The Company's subsidiaries do not hold any shares in the Company as at 31 December 2023 and 31 December 2022.

15. Trade and other payables

	Group		Company	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables	319,851	377,783	241,195	332,207
Other payables and accruals	63,096	54,716	56,288	52,593
Amounts due to:				
- holding company (non-trade)	10,126	10,125	-	-
- subsidiaries (trade)	-	-	11,861	12,249
- related corporation (trade)	404,135	-	403,488	-
- related corporation of a corporate shareholder (trade)	7,273	78,887	-	39,332
- subsidiaries (non-trade)	-	-	40,192	-
Derivative financial liabilities:				
- oil commodity derivatives	9,139	43,373	6,754	41,890
	813,620	564,884	759,778	478,271

16. Borrowings

Amount repayable in one year or less, or on demand

	The Group and the Company	
	31 Dec 2023 US\$'000	31 Dec 2022 US\$'000
<u>Amount repayable within one year or on demand</u>		
Secured	-	-
Unsecured	-	-
<u>Amount repayable after one year</u>		
Secured	-	-
Unsecured	-	-

17. 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
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
31 Dec 2022				
Financial assets at FVTOCI*	-	-	5,500	5,500
Derivative financial assets	-	39,621	-	39,621
Derivative financial liabilities	-	(43,373)	-	(43,373)
	-	(3,752)	5,500	1,748

Company	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
31 Dec 2023				
Derivative financial assets	-	5,579	-	5,579
Derivative financial liabilities	-	(6,754)	-	(6,754)
	-	(1,175)	-	(1,175)
31 Dec 2022				
Derivative financial assets	-	40,559	-	40,559
Derivative financial liabilities	-	(41,890)	-	(41,890)
	-	(1,331)	-	(1,331)

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

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 Limited and its subsidiaries as at 31 December 2023 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 and full year then ended and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Consolidated Statement of Comprehensive Income

2H 2023 v 2H 2022

The Group's net profit increased by US\$25.40 million (187.12%) to US\$38.97 million for the second half year ended 31 December 2023 ("2H 2023") compared to US\$13.57 million for the second half year ended 31 December 2022 ("2H 2022"), mainly attributable to the increase in gross profit, other operating income and share of results partially offset by the increase in expenses.

The total supply and trading volume increased by 1.58 million metric tonnes ("mt") (17.58%) to 10.57 million mt for 2H 2023 compared to 8.99 million mt for 2H 2022. Volume for middle distillates increased by 2.15 million mt (54.43%) to 6.10 million

mt from 3.95 million mt for 2H 2022, of which jet fuel supply and trading volume increased by 2.27 million mt (59.27%) to 6.10 million mt for 2H 2023 from 3.83 million mt for 2H 2022. Trading volume for gas oil was nil for 2H 2023 compared to 0.12 million mt for 2H 2022. The trading volume of other oil products decreased by 0.57 million mt (11.31%) to 4.47 million mt for 2H 2023 compared to 5.04 million mt for 2H 2022 attributable mainly to lower trading volume for fuel oil.

Total revenue increased by US\$976.68 million (13.61%) to US\$8,152.50 million for 2H 2023 from US\$7,175.82 million for 2H 2022, mainly attributable to the increase in volume.

Total gross profit was US\$39.95 million for 2H 2023, an increase of US\$26.09 million (188.26%) compared to US\$13.86 million for 2H 2022 mainly due to higher gains derived from jet supply and trading of other oil products.

Other operating income was US\$9.07 million for 2H 2023 compared to US\$2.03 million for 2H 2022, an increase of US\$7.04 million (347.34%) attributable mainly to higher interest income. Interest income was US\$8.41 million for 2H 2023 compared to US\$2.72 million for 2H 2022, an increase of US\$5.69 million (209.65%) from time deposits placed with banks and financial institutions. Exchange differences was US\$0.13 million for 2H 2023 compared to -US\$1.60 million for 2H 2022, an improvement of US\$1.73 million mainly due to the depreciation of RMB and Euro against US Dollar in 2H 2022. Other income was US\$0.54 million for 2H 2023 compared to US\$0.91 million for 2H 2022, a decrease of US\$0.37 million mainly due to the gain of US\$0.68 million on deemed disposal of associate in 2H 2022 and lower government rebates in 2H 2023 partially offset by the US\$0.48 million dividends from investment in equity instrument in 2H 2023.

Total expenses increased by US\$18.57 million (226.19%) to US\$26.78 million for 2H 2023 compared to US\$8.21 million for 2H 2022, mainly attributable to the impairment of US\$3.38 million in goodwill, impairment of US\$8.65 in investment of an associate, the increase of US\$0.53 million in staff costs and the increase of US\$2.17 million in professional and legal fees. Provision for expected credit loss ("ECL") was US\$0.44 million for 2H 2023 compared to -US\$2.00 million for 2H 2022, an increase of US\$2.44 million y-o-y.

The share of results from associates was US\$22.06 million for 2H 2023 compared to US\$8.22 million for 2H 2022, an increase of US\$13.83 million (168.21%). Share of results from SPIA was US\$22.69 million for 2H 2023 compared to US\$8.78 million for 2H 2022, an increase of US\$13.91 million or 158.43%, mainly due to higher refuelling volume which led to higher revenue and profit. Share of results from other associates was -US\$0.63 million for 2H 2023 compared to -US\$0.55 million for 2H 2022, a decrease of US\$0.08 million, mainly attributable to higher share of loss from TSN-PEKCL and Zhenghe.

Income tax expense was US\$5.33 million for 2H 2023 compared to US\$2.33 million for 2H 2022, an increase of US\$3.00 million (129.05%) mainly due to higher provision of tax expenses.

Earnings per share attributable to the owners of the Company was 4.55 US cents for 2H 2023 compared to 1.61 US cents for 2H 2022.

2H 2023 v 1H 2023

The Group's net profit increased by US\$19.57 million (100.88%) to US\$38.97 million for 2H 2023 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.

The total supply and trading volume increased by 1.11 million mt (11.73%) to 10.57 million mt for 2H 2023 compared to 9.46 million mt for 1H 2023. Volume for middle distillates increased by 2.18 million mt (55.61%) to 6.10 million mt from 3.92 million mt, of which trading volume for jet fuel supply and trading volume increased by 2.35 million mt (62.67%) to 6.10 million mt for 2H 2023 from 3.75 million mt for 1H 2023. Trading volume for gas oil was nil for 2H 2023 compared to 0.17 million mt for 1H 2023. The trading volume of other oil products decreased by 1.07 million mt (19.31%) to 4.47 million mt for 2H 2023 compared to 5.54 million mt for 1H 2023 attributable mainly to lower trading volume for fuel oil and crude oil.

Total revenue increased by US\$1,875.43 million (29.88%) to US\$8,152.50 million for 2H 2023 from US\$6,277.07 million for 1H 2023, mainly attributable to the increase in volume.

Total gross profit was US\$39.95 million for 2H 2023, an increase of US\$29.30 million (275.12%) compared to US\$10.65 million for 1H 2023 mainly due to higher gains derived from jet fuel supply and trading of other oil products.

Other operating income was US\$9.07 million for 2H 2023 compared to US\$9.65 million for 1H 2023, a decrease of US\$0.58 million attributable mainly to the decrease of US\$0.92 million in bank interest income partially offset by the US\$0.48 million dividends from investment in equity instrument.

Total expenses increased by US\$19.86 million (286.99%) to US\$26.78 million for 2H 2023 compared to US\$6.92 million for 1H 2023, mainly attributable to the increase of US\$3.33 million in staff costs, impairment of US\$3.38 million in goodwill, impairment of US\$8.65 in investment of an associate and the increase of US\$2.36 million in professional and legal fees.

Share of results from associates was US\$22.06 million for 2H 2023 compared to US\$8.26 million for 1H 2023, an increase of US\$13.80 million (167.07%), mainly attributable to higher contributions from SPIA. Share of results from SPIA was US\$22.69 million for 2H 2023 compared to US\$8.78 million for 1H 2023, an increase of US\$13.91 million or 158.43%, mainly due to higher refuelling volume which led to higher revenue and profit. Share of results from other associates was -US\$0.63 million for 2H 2023 compared to -US\$0.52 million for 1H 2023, a decrease of US\$0.11 million, mainly due to lower share of results from OKYC.

Income tax expense was US\$5.33 million for 2H 2023 compared to US\$2.23 million for 1H 2023, an increase of US\$3.10 million (139.01%) mainly due to higher provision of tax expenses.

Earnings per share attributable to the owners of the Company was 4.55 US cents for 2H 2023 compared to 2.29 US cents for 1H 2023.

FY 2023 v FY 2022

The Group's net profit increased by US\$25.19 million (75.90%) to US\$58.37 million for the financial year ended 31 December 2023 ("FY 2023") compared to US\$33.19 million for the financial year ended 31 December 2022 ("FY 2022"), mainly attributable to the increase in gross profit, other operating income and share of results partially offset by the increase in expenses.

The total supply and trading volume decreased by 0.23 million mt (1.14%) to 20.03 million mt for FY 2023 compared to 20.26 million mt for FY 2022. The trading volume for other oil products decreased by 1.92 million mt (16.09%) to 10.01 million mt for FY 2023 compared to 11.93 million mt for FY 2022 attributable mainly to lower trading volume for fuel oil and crude oil. Volume for middle distillates increased by 1.69 million mt (20.29%) to 10.02 million mt from 8.33 million mt, of which trading volume for jet fuel supply and trading increased by 1.89 million mt (23.74%) to 9.85 million mt for FY 2023 compared to 7.96 million mt for FY 2022. Gas oil trading volume decreased by 0.20 million mt (54.05%) to 0.17 million mt for FY 2023 from 0.37 million mt for FY 2022.

Total revenue decreased by US\$2,034.55 million (12.36%) to US\$14,429.57 million for FY 2023 from US\$16,464.12 million for FY 2022, mainly attributable to the decrease in oil price and volume.

Total gross profit was US\$50.60 million for FY 2023, an increase of US\$15.21 million (42.97%) compared to US\$35.39 million for FY 2022 attributable mainly to higher gains derived from jet supply and trading of other oil products.

Other operating income was US\$18.72 million for FY 2023 compared to US\$1.01 million for FY 2022, an increase of US\$17.71 million (1,762.29%) largely attributable to higher interest income. Interest income was US\$17.74 million for FY 2023 compared to US\$3.29 million for FY 2022, an increase of US\$14.45 million (439.69%) attributable mainly to higher interest rates and deposits placed with banks and financial institutions. Exchange differences was US\$0.35 million for FY 2023 compared to -US\$3.71 million for FY 2022, an improvement of US\$4.06 million due to exchange loss resulting from the depreciation of RMB and Euro dollar against US dollar in FY 2022. Other income was US\$0.63 million for FY 2023, a decrease of US\$0.80 million compared to US\$1.43 million for FY 2022 mainly due to the gain of US\$0.82 million from deemed disposal of an associate in FY 2022.

Total expenses increased by US\$17.11 million (103.13%) to US\$33.70 million for FY 2023 compared to US\$16.59 million for FY 2022, mainly attributable to the impairment of US\$3.38 million in goodwill, impairment of US\$8.65 in investment of an associate, the increase of US\$0.60 million in staff costs and US\$2.46 million in professional and legal fees. The ECL provision for FY 2023 was US\$0.91 million compared to US\$0.20 million for FY 2022, an increase of US\$0.71 million. Bank charges decreased by US\$0.50 million y-o-y.

The share of results from associates was US\$30.32 million for FY 2023 compared to US\$17.90 million for FY 2022, an increase of US\$12.42 million (69.36%), mainly attributable to higher contributions from SPIA. Share of results from SPIA was US\$31.46 million for FY 2023 compared to US\$19.21 million for FY 2022, an increase of US\$12.25 million or 63.77%, mainly attributable to higher refuelling volume which led to higher revenue and profit. Share of results from other associates was -US\$1.14 million for FY 2023 compared to -US\$1.31 million for FY 2022, an improvement of US\$0.17 million, mainly due to higher share of results from OKYC.

Income tax expense was US\$7.56 million for FY 2023 compared to US\$4.52 million for FY 2022, an increase of US\$3.04 million or 67.13% mainly due to higher provision for income tax.

Earnings per share attributable to the owners of the Company was 6.84 US cents for FY 2023 compared to 3.90 US cents for FY 2022.

Consolidated Statements of Financial Position

The Group's current assets stood at US\$1,501.04 million as at 31 December 2023 compared to US\$1,205.91 million as at 31 December 2022. The increase of US\$295.14 million in current assets was attributable to the increase of US\$324.12 million in trade and other receivables and US\$64.84 million in cash and cash equivalents, partially offset by the decrease of US\$93.82 million in inventories.

Non-current assets stood at US\$286.47 million as at 31 December 2023, a decrease of US\$7.24 million compared to US\$293.71 million as at 31 December 2022.

Current liabilities which comprised of trade and other payables, contract liabilities, short term lease liabilities and tax liabilities, increased by US\$246.05 million to US\$826.48 million as at 31 December 2023 compared to US\$580.43 million as at 31 December 2022, mainly attributable to the increase of US\$248.74 million in trade and other payables.

Non-current liabilities which comprised of lease liabilities and deferred tax liabilities decreased by US\$3.10 million to US\$8.69 million as at 31 December 2023 compared to US\$11.78 million as at 31 December 2022 mainly due to the decrease in non-current lease liabilities.

The equity attributable to owners of the Company stood at US\$948.40 million as at 31 December 2023, or 110.26 US cents per share, compared to US\$902.98 million as at 31 December 2022 or 104.97 US cents per share. Equity attributable to the non-controlling interests was US\$3.95 million as at 31 December 2023 compared to US\$4.43 million as at 31 December 2022.

Consolidated Statement of Cash Flows

FY 2023 v FY 2022

Net cash generated from operating activities in FY 2023 was US\$54.56 million compared to net cash used in operating activities of US\$88.77 million in FY 2022, an improvement of US\$143.33 million mainly attributable to the decrease in inventories and lower utilisation of working capital for trading.

Net cash generated from investing activities were US\$26.26 million in FY 2023 compared to US\$24.45 million in FY 2022, an increase of US\$1.81 million mainly attributable to higher receipt of interest and dividends from associates partially offset by the utilisation of funds for acquisition of property, plant and equipment.

Net cash used in financing activities in FY 2023 were US\$16.57 million compared to US\$26.67 million in FY 2022, a decrease of US\$10.10 million attributable to the repayment of bank borrowings of US\$6.20 million assumed from CNAF HKR upon acquisition in FY 2022, coupled with the decrease of US\$2.44 million in repayment of lease liabilities and US\$1.54 million in dividends paid in FY 2023.

Litigation- (1) Banque De Commerce Et De Placements S.A. DIFC Branch ("BCP-DIFC"), (2) Banque De Commerce Et De Placement SA ("BCP-Geneva") v China Aviation Oil (Singapore) Corporation Ltd & 2 Ors (Suit No. HC/S 675/2020 ("the Suit"))

Trial relating to the Suit commenced on 15 August 2023 and ended on 25 September 2023.

The trial entailed the cross-examinations and re-examinations of 3 factual witnesses of BCP, 4 factual witnesses of CAO, 3 factual witnesses of the Third Party, Shandong Energy International (Singapore) Pte. Ltd. and 1 factual witness of the Fourth Party, Golden Base Energy Pte Ltd. The cross-examinations and re-examinations of: (1) two commodities trade expert witnesses namely, BCP-appointed expert witness and CAO-appointed expert witness, took place from 19 September 2023 to 22 September 2023; and (2) two digital forensic expert witnesses namely, BCP-appointed expert witness and CAO-appointed expert witness, took place on 25 September 2023.

The Parties have submitted their respective closing submissions on 8 December 2023 and their replies to the respective closing submissions were submitted on 2 February 2024. Grounds of Decision relating to the Suit is expected to be issued by the second quarter of 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.

¹Based on International Air Transport Association’s recent outlook on global air travel, post-pandemic demand for air travel rebounded strongly in 2023 with passenger traffic steadily approaching pre-pandemic 2019 levels, as accelerated by the re-opening of Chinese markets in early 2023. ²Based on projections by the Civil Aviation Administration of China that weekly international passenger flights will reach 6,000 by end 2024, China’s international air travel market is expected to extend its recovery in 2024.

Global market conditions are expected to remain challenging due to oil price volatility, uncertain global economic growth and heightened geopolitical tensions. However, with a strong balance sheet, the Group is well-positioned to leverage on the opportunities presented by the continual recovery in the global aviation industry and remains cautiously positive on its performance for the current financial year, as it remains committed to strengthening its operational resilience, and build on its jet fuel supply and trading network, complemented with trading in other oil products. The Group will also continue to focus on long-term profitability by seeking opportunities for strategic expansion through investments in synergetic and strategic oil-related assets and businesses

5. Dividend information

5a. Current Financial Period Reported on

Any dividend recommended for the current financial period reported on? Yes

Name of dividend	Final	Special	Total
Dividend Type	Cash	Cash	Cash
Dividend per share (Singapore cents)	2.71	2.34	5.05
Tax rate	Tax Exempt	Tax Exempt	Tax Exempt

The Directors are pleased to propose a one-tier, tax exempt cash dividend of 2.71 Singapore cents per share (2022: one-tier, tax exempt final cash dividend of 1.60 Singapore cents per share) and a one-tier, tax exempt special cash dividend of 2.34 Singapore cents per share (2022: Nil) in respect of the financial year ended 31 December 2023.

5b. Corresponding Period of the Immediate Preceding Financial Year

¹ <https://www.iata.org/en/iata-repository/publications/economic-reports/global-outlook-for-air-transport---december-2023---report/>

² Source: 2024 CAAS work meeting highlights - <https://www.ccaonline.cn/hqtx/921445.html>

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of dividend	Final
Dividend Type	Cash
Dividend per share (Singapore cents)	1.60
Tax rate	Tax Exempt

5c. Date Payable

To be announced in due course.

5d. Record Date for Dividend Payment

Details on the record date will be announced in due course.

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).

Aggregate value of interested person transactions for the year ended 31 December 2023.

	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)	
		FY 2023	FY 2022	FY 2023	FY 2022
		US\$'000	US\$'000	US\$'000	US\$'000
Sales to related corporations	Associates of Controlling Shareholder, China National Aviation Fuel Group Limited	-	-	2,217,379	2,525,780
Purchases from related corporations		-	-	320,468	1,461,363
Supply chain services rendered from related corporation		-	-	4,401	5,476
Transportation revenue earned by associate from related corporations *		-	-	-	1,963
Into-plane refueling services rendered by a related corporation		-	-	196	105
Principal deposited with related corporations		-	-	1,504,424	1,212,524
Interest income earned from principal deposited with related corporation		-	-	5,542	2,339
Subscription of additional shares in associate of controlling shareholder		-	12,435	-	-
Services rendered from related corporation		259	333	-	-
Financial assistance rendered to a related corporation		600	248	-	-

	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)	
		FY 2023	FY 2022	FY 2023	FY 2022
		US\$'000	US\$'000	US\$'000	US\$'000
Sales to related corporation of a corporate shareholder	Associates of Controlling Shareholder, BP Investments Asia Limited	-	-	1,357	425,417
Purchases from related corporation of a corporate shareholder		-	-	412,092	395,261
Supply chain services rendered from related corporation of a corporate shareholder		-	-	4,321	3,313
Carbon trading transaction with a related corporation		662	-	-	-
Purchases of into-plane services from a related corporation		1,533	-	-	-

* 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)

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

8. Disclosure of persons occupying managerial positions who are related to a director or chief executive officer or substantial shareholder

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, CAO confirms that to the best of its knowledge, belief and information, there are no persons occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director, the chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Doreen Nah
Company Secretary
29 February 2024