



China Aviation Oil (Singapore) Corporation Ltd
中国航油（新加坡）股份有限公司

A subsidiary of China National Aviation Fuel Group Limited
中国航空油料集团有限公司子公司

多元协同
绿色发展



**SYNERGISTIC EXCELLENCE,
SUSTAINABLE TRANSFORMATION**

2024年度报告 | Annual Report 2024

SYNERGISTIC EXCELLENCE, SUSTAINABLE TRANSFORMATION

Supported by favourable tailwinds driven by robust recovery in global air travel, we will harness the synergies of our oil-related businesses, supply and trading activities to achieve excellence in our operations, enhancing our capacity to extract value across our supply chain. Anchored in our vision to becoming a green enterprise, we are charting a course to transform our business into green, low-carbon emissions model to ensure the sustainability of our growth and ability to create value for stakeholders.

多元协同
绿色发展



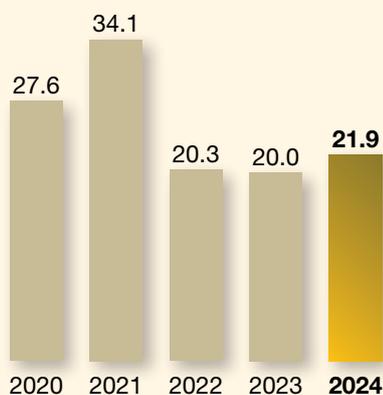
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FINANCIAL HIGHLIGHTS

业绩亮点

Total Supply and Trading Volume
(million metric tonnes)
总业务量 (百万吨)



Total Supply and Trading Volume
总业务量

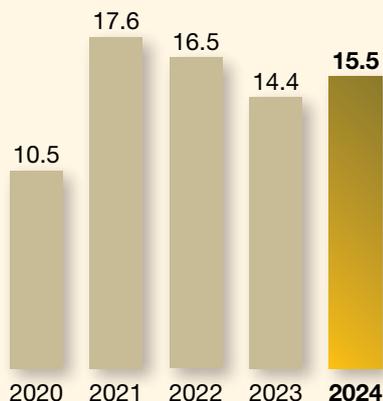
21.9
million metric tonnes
百万吨



Return on Equity*
净资产回报率

8.10%

Revenue
(US\$ billion)
收入 (十亿美元)



Revenue
收入

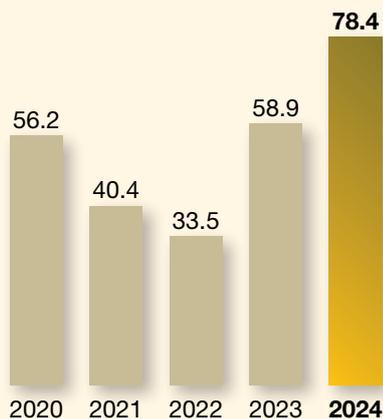
US\$ **15.5**
billion
十亿美元



Return on Assets*
资产回报率

4.56%

Net Profit*
(US\$ million)
净利润 (百万美元)



Net Profit*
净利润

US\$ **78.4**
million
百万美元



Net Asset Value/Share*
每股净资产值

US **114.66¢**
美分

* Relates to the amount attributable to equity owners of the Company 数额归属于本公司所有者

CAO AT A GLANCE

公司简介

China Aviation Oil (Singapore) Corporation Ltd (“CAO” or the “Company”) was incorporated in Singapore on 26 May 1993 and listed on the Mainboard of the Singapore Exchange Securities Trading Limited on 6 December 2001. CAO is the largest physical jet fuel buyer in the Asia-Pacific region and a key supplier of imported jet fuel to the civil aviation industry of the People’s Republic of China (“PRC”).

With a strong presence in China and leveraging CAO’s 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”), CAO has developed a well-established global jet fuel supply and trading network supplying jet fuel to airlines in Asia-Pacific, North America, Europe and the Middle East, and contributing actively to the efficiency and sustainability of global aviation.

Established in May 1998, CAOHK supplies jet fuel to its airline customers at Hong Kong International Airport through its subsidiary, CNAF Hong Kong Refuelling Limited (“CNAF HKR”), the third licensed refueller at Hong Kong International Airport. In addition, CAOHK also supplies jet fuel to airline customers at other key airports in the Asia-Pacific region. Incorporated in the United States of America in April 2008, NAFCO is a major jet fuel supplier at Los Angeles International Airport and has since expanded its jet fuel cargo import business to Ted Stevens Anchorage International Airport. Established in November 2013, CAFEU, a fueling concessionaire at Amsterdam Airport Schiphol, is also a jet fuel supplier at Amsterdam, Frankfurt, Brussels and other airport hubs in Europe.

Under the astute leadership of the CAO Management, CAO and its wholly owned subsidiaries (collectively, the “CAO Group”) also engages in international trading of jet fuel and other oil products. As part of its continuous efforts to offset carbon footprint arising from its trading and ship chartering activities, the CAO Group engages in carbon credits trading to enhance its sustainable value proposition for its customers, other stakeholders and itself.

OUR KEY SHAREHOLDERS

China National Aviation Fuel Group Limited (“CNAF”), the single largest shareholder of CAO, holds 51.31% of the total issued shares of CAO (excluding treasury shares). As a Chinese state-owned enterprise, CNAF is the largest aviation transportation logistics services provider in the PRC, providing aviation fuel procurement, storage, transportation and refuelling services at over 200 airports

in China. BP Investments Asia Limited, a subsidiary of oil major, BP Plc, is a strategic investor of CAO and holds 20.17% of the total issued shares of CAO (excluding treasury shares).

OUR BUSINESSES

Jet Fuel Supply & Trading

CAO supplies jet fuel to international airports across the PRC, including Beijing Capital International Airport, Shenzhen Baoan International Airport, Shanghai Pudong and Hongqiao International Airports as well as Guangzhou Baiyun International Airport. To better support global air travel demand, CAO has been marketing and supplying jet fuel to its airline customers at airports globally since 2011. As part of the Company’s ongoing efforts to drive its sustainability objectives, CAO has also expanded its product offerings to include sustainable aviation fuel (“SAF”) and carbon credits, etc.

Trading of Other Oil Products

Embracing a diversification strategy, CAO grows its revenue and profit by enhancing its trading network with an oil products portfolio spanning fuel oil, gasoil, gasoline, crude oil and condensates. CAO has entrenched its market presence as an active supplier of these oil products in Asia-Pacific and continues to build and optimise structural advantages in these products globally.

Investments in Oil-related Assets

The CAO Group owns investments that are synergistic to its supply and trading activities, with a portfolio of assets comprising storage, pipelines and airport refuelling facilities, to consolidate an integrated global supply and trading value chain.

The CAO Group currently holds equity stakes in:

- Shanghai Pudong International Airport Aviation Fuel Supply Company Ltd (CAO holds a 33% equity stake)
- China National Aviation Fuel TSN-PEK Pipeline Transportation Corporation Ltd (CAO holds a 49% equity stake)
- Shenzhen Zhenghe Petrochemicals Co. Ltd (CAO holds a 40% equity stake)
- Oilhub Korea Yeosu Co., Ltd (CAO holds a 26% equity stake)
- CNAF Hong Kong Refuelling Limited (CAOHK holds a 68% equity stake)
- Aircraft Fuel Supply B.V. (CAFEU holds a 12.5% equity stake)

CAO AT A GLANCE

公司简介



CAO has established an integrated global supply and trading value chain, comprising storage, pipelines and airport refuelling facilities. 中国航油新加坡公司打造了一个涵盖储罐、管线、机场加注设施等的全球一体化供应与贸易链。

中国航油(新加坡)股份有限公司(简称“中国航油新加坡公司”或“公司”)于1993年5月26日在新加坡注册成立,并于2001年12月6日在新加坡证券交易所主板上市,是亚太地区最大的航油实货采购商和中国最重要的航油进口商。

依托于中国市场和其三家全资子公司,即中国航油(香港)有限公司(简称“香港公司”)、北美航油有限公司(简称“北美公司”)和中国航油(欧洲)有限公司(简称“欧洲公司”),公司发展出一个庞大且稳定的全球航油供应和贸易网络,向位于亚太、北美、欧洲和中东的航空公司供应航油,为推进全球航空业的高效与可持续发展做出了积极贡献。

香港公司于1998年5月成立,通过其子公司香港供油公司(香港国际机场的主要航油加注服务商之一),为香港国际机场的航司供应航油。此外,香港公司也为亚太地区其他主要机场的航司供应航油。北美公司于2008年4月在美国注册成立,是洛杉矶国际机场的主要航油供应商,并成功将航油货船进口业务拓展至安格雷奇国际机场。欧洲公司成立于2013年11月,拥有阿姆斯特丹史基浦机场的特许经营权,也是阿姆斯特丹、法兰克福、布鲁塞尔等欧盟枢纽机场的航油供应商。

在公司管理层的领导下,公司及子公司也开展航油和其它油品的国际贸易。为了进一步抵消公司在贸易和船舶租赁活动中的碳足迹,公司及子公司也积极开展碳权交易,致力于为顾客、其他利益相关方和自身创造可持续价值。

主要股东

中国航空油料集团有限公司(简称“集团公司”)是公司的最大股东,共持有中国航油新加坡公司全部发行股票(不包含库存股)的51.31%。此外,作为中国央企,集团公司也是中国最大的航空运输服务保障企业,为中国超过200家机场提供有关航空油料的采购、存储、运输和加注服务。石油巨头BP旗下子公司BP投资亚洲有限公司是中国航油新加坡公司的战略投资者,持有公司全部发行股票(不包含库存股)的20.17%。

业务概况

航油业务

公司向中国境内的国际机场供应航油,如北京首都机场、深圳宝安国际机场、上海浦东机场、上海虹桥机场和广州白云机场。受全球需求推动,公司及子公司自2011年以来,积极拓展国际航司供油业务。作为可持续发展战略的一部分,公司也积极拓展包括可持续航空燃料(简称“SAF”)、碳信用在内的新产品。

其他油品贸易业务

为了实现创收增效,公司执行多元化战略,通过打造全球供应与贸易网络,拓展包括燃料油、柴油、汽油、原油和凝析油业务在内的其它油品业务。公司凭借其活跃的油品业务,在亚太地区奠定了稳固根基。放眼国际市场,公司将继续打造和优化油品业务的结构优势。

油品相关实业投资

公司及子公司投资与其供应和贸易活动有协同性的油品相关资产,包括储罐、管线、机场加注设施等,以拓展全球一体化供应与贸易链。

公司及子公司的现有实业投资包括:

- 上海浦东国际机场航空油料有限责任公司(中国航油新加坡公司持股33%)
- 中国航油集团津京管道运输有限责任公司(中国航油新加坡公司持股49%)
- 深圳正和石化有限公司(中国航油新加坡公司持股40%)
- 韩国丽水枢纽油库有限公司(中国航油新加坡公司持股26%)
- 中国航油香港供油有限公司(香港公司持股68%)
- 阿姆斯特丹机场航油供应公司(欧洲公司持股12.5%)

INTERNATIONAL REACH

国际触角

Diversified International Revenue Base
多元化的全球收入分布



- China 中国80.0%
- Singapore 新加坡9.0%
- South Korea 韩国5.0%
- Other Regions 其他地区6.0%



- China 中国67.2%
- USA 美国6.1%
- Europe 欧洲6.4%
- Other Regions 其他地区*20.3%

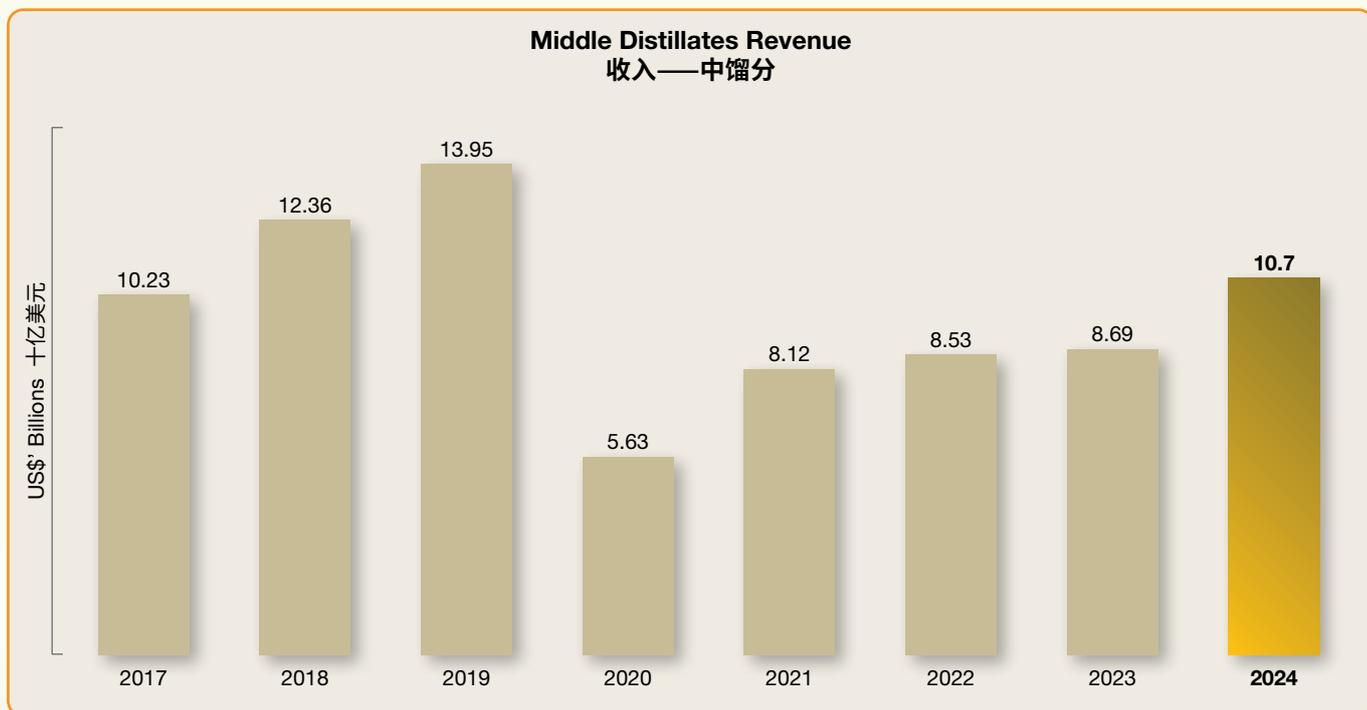
* Regions with revenue contribution less than 5% are recorded under "Other regions"
"其他地区"包含收入贡献低于5%的其他国家



CAO Headquarter & Subsidiaries
中国航油新加坡公司总部及其子公司

Supply & Trading Network
供应与贸易网络

Ecuador



SUSTAINABLE BUSINESS MODEL 可持续发展的业务模式

We procure internationally and deliver cargoes to customers globally.

我们在全球范围内采购货物, 交付至全球各地的客户手中。

INTERNATIONAL OIL MARKETS 国际油品市场



Procurement
采购



Optimisation & Trading
优化与贸易



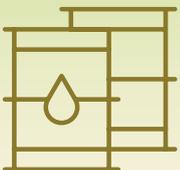
At CAO, we endeavour to integrate our supply and trading activities, leveraging our increasing scale and market presence to enhance the profitability of the CAO Group.

中国航油新加坡公司致力于实现供应与贸易一体化, 利用不断扩大的业务规模和市场占有率, 加强公司的盈利能力。

Secure Resources
锁定资源

Optimise Logistics
优化物流

SUSTAINABLE AVIATION FUEL BLENDING AND LOGISTICS 可持续航空燃料(SAF)的混掺方式与物流



Neat SAF Importation
进口纯SAF

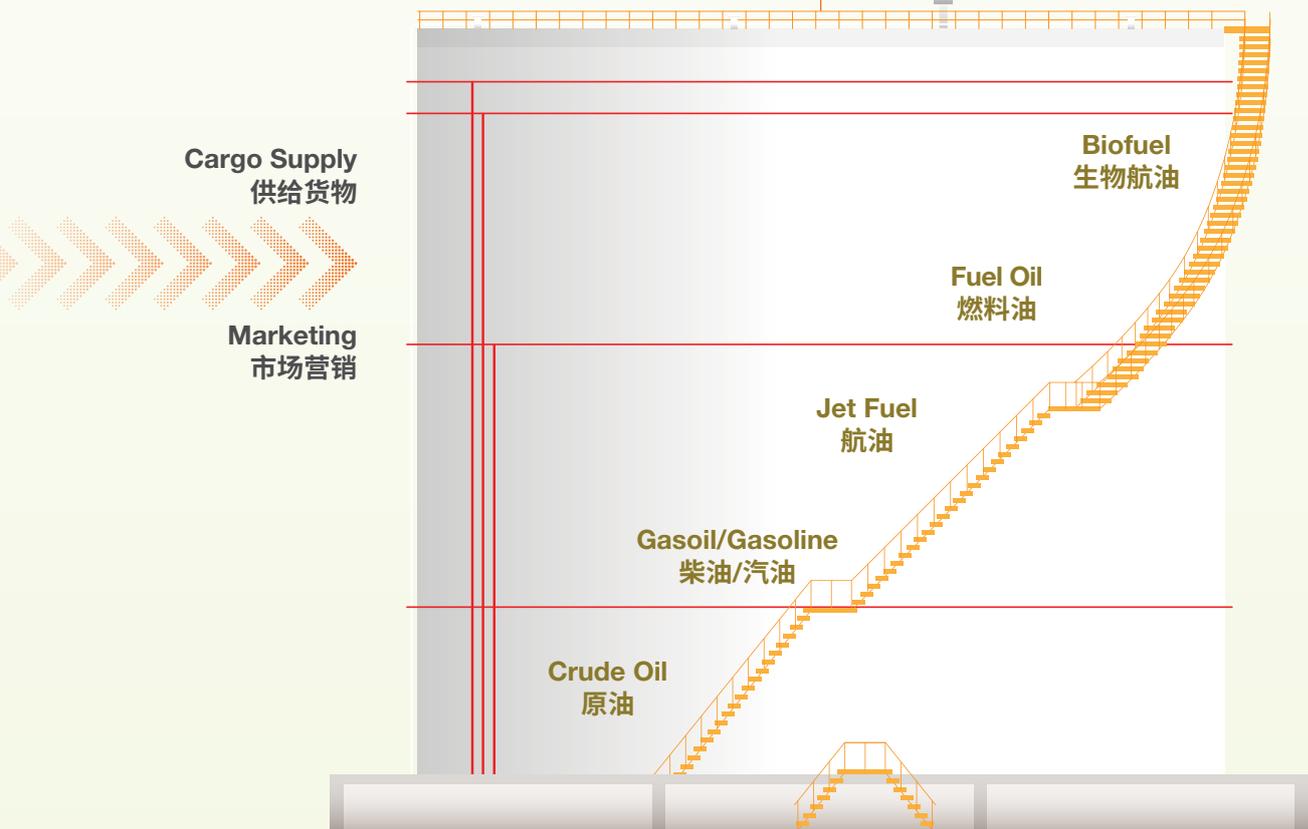


Shipment
海运



SAF Blending
混掺SAF





Create Demand
创造需求



OUR CORE VALUES

核心价值理念体系

OUR MISSION

To Create Value for Shareholders
To Provide Professional Development for Employees
To Contribute to Society

使命

为股东创价值
为员工谋发展
为社会做贡献

OUR VISION

To be an innovative top-tier company,
underpinned by oil-related investments and fuelled by
our “twin engines growth strategy” in the jet fuel and
other oil products businesses.

愿景

以实业投资为引擎,以航油业务和油品贸易为双翼,
努力成为富有创造力、竞争力的优质公司

CORPORATE VALUES

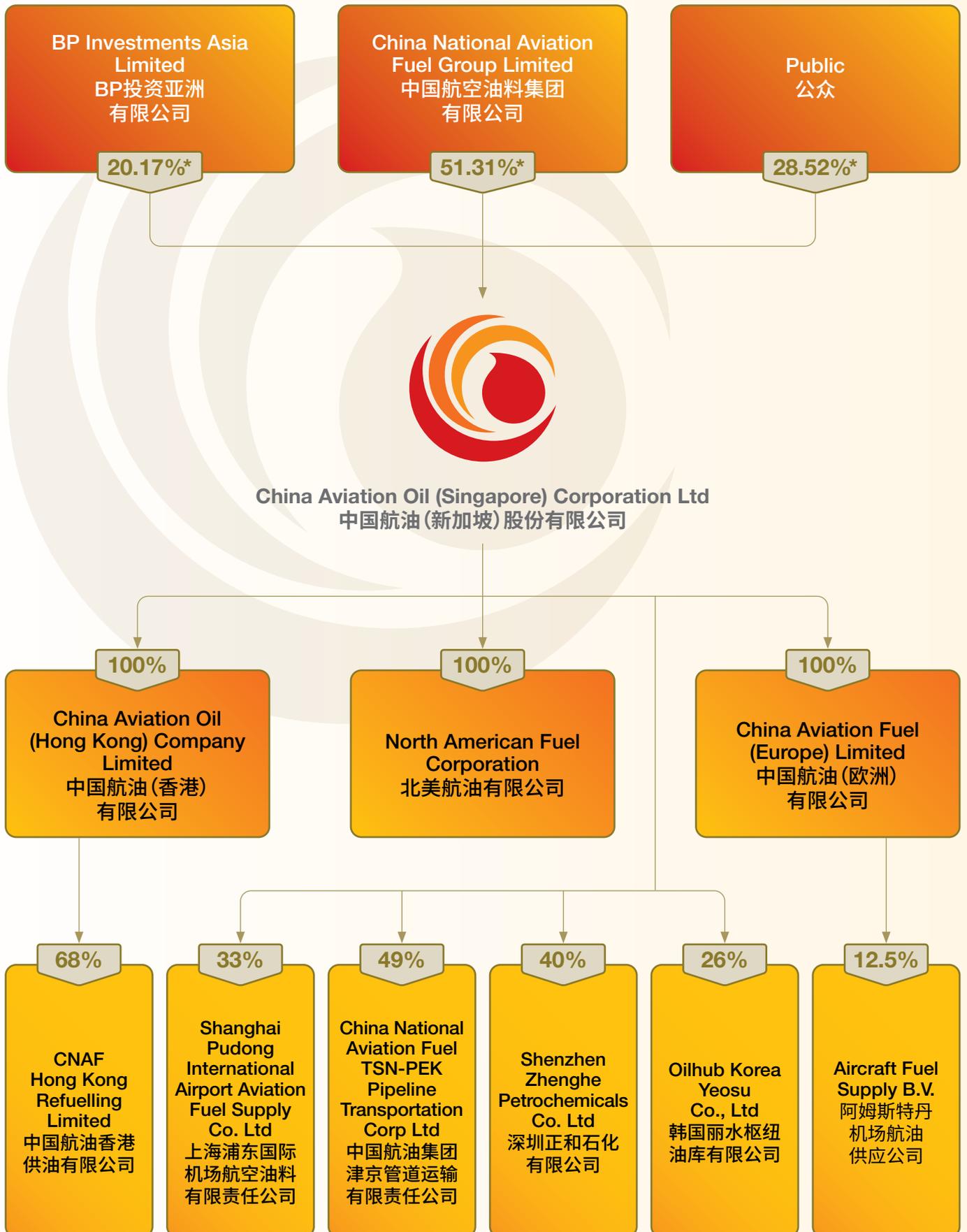
Excellence: To Strive for Excellence in Every Detail
Innovation: Proponent and Leader of Innovation and Change
Diversity: Respecting and Valuing Differences
Integrity: Growing our Businesses through Trust and Honesty

核心价值观

卓越:精益求精,追求极致
创新:突破固有,存新求变
多元:尊重差异,兼容并包
诚信:待人以诚,经商以信

GROUP STRUCTURE (as of 31 March 2025)

公司结构图 (截至2025年3月31日)



* Excluding treasury shares 不包括库存股



RELENTLESS IN PURSUIT OF EXCELLENCE

As a leading jet fuel supplier in the Asia Pacific, we strive to stay ahead of the competition by relentlessly pursuing excellence in our operations across our network of businesses and value chain, enhancing our ability to deliver long-term value to stakeholders.



CHAIRMAN'S STATEMENT

董事长致辞



2024年, 我们践行高标准
公司治理, 加强董事会
建设, 严守合规经营, 强化
风险管控, 履行社会责任,
稳促数字转型。



Shi Yanliang
Executive Chairman

史延亮
执行董事长



CHAIRMAN'S STATEMENT

董事长致辞

On behalf of the Board of Directors, I would like to express my gratitude to the shareholders, customers and business partners for their support and confidence in China Aviation Oil (Singapore) Corporation Ltd (“CAO”). I would also like to extend the Board’s appreciation to the Management and staff of CAO for their hard work and dedication.

In 2024, the increasingly complex business environment continued to pose significant operational challenges for CAO, exacerbated by the slower than anticipated recovery in the global economy, escalating geopolitical tensions, macroeconomic uncertainties and compounded by volatility in global oil prices. Nevertheless, the global aviation industry’s strong rebound had continued to spur China’s growing demand for fossil-based jet fuel as well as increased its renewable energy consumption in sustainable aviation fuel (“SAF”).

Confronted with the opportunities and challenges ahead, CAO remains committed to innovation, upholding high standards of corporate governance and adopting a holistic approach to risk management to effectively drive its low-carbon energy transition, thereby achieving a stable and sustainable growth for the Company. This is evident from the awards and accolades we received in 2024 namely, “Best Risk Management Award (Gold)” at the Singapore Corporate Awards, “Most Transparent Company” (Energy Category) at the Securities Investors Association (Singapore) Investors’ Choice Awards, and “Green Innovation Award” at the 2024 Asia Corporate Excellence & Sustainability Awards. In addition, CAO remains a member of the “Global Trader

Programme” and has been included in the SGX Fast Track programme for maintaining a good corporate governance standing and compliance track record.

Throughout 2024, elevating our sustainability management to new heights and upholding high standards of corporate governance had served as a guiding force enabling evidence-based decision-making by the Board and Board Committees in the fulfilment of their respective roles and responsibilities. The Company is committed to adhering responsible energy initiatives to support its green energy transition. We remain guided by the key pillars of our sustainability strategy namely, Valuing Nature, Empowering Well-being, Fostering Collaborative Innovation and Governing with Excellence, to drive our sustainability goals in the medium and long-term, and making continued efforts in managing material ESG topics such as low-carbon transition, biodiversity conservation, and implementing sustainable supply chain among others. The Company remains dedicated to combating global climate change as well as meeting our annual carbon emission reduction targets, to achieve our net-zero target by 2050.

As a key initiative of optimising the CAO Group’s jet fuel business, CAO established its Global Jet Fuel Trading Centre and Global Aviation Marketing Centre in 2024. The CAO Global Jet Fuel Trading Centre seeks to centralise the procurement of jet fuel resources, synergise the trading arm with the sales legs across Asia Pacific, North America and Europe, and augment the CAO Group’s global trading network. The Global Aviation Marketing Centre aims to provide globalised service solutions for



CAO will also continue to focus on long-term profitability by seeking opportunities for strategic expansion.
公司将继续寻求战略性扩张机会,以增强其长期盈利能力。

CHAIRMAN'S STATEMENT

董事长致辞



our airline customers, catering to the different business needs of each regional aviation market. Additionally, we strive to enhance CAO's influence and branding in the international aviation market by making continuous efforts to step up the efficiency and quality of our services. Meanwhile, CAO has been actively exploring asset-related investment opportunities in green energy, logistics and terminals, as well as airport refuelling facilities to better support CAO in developing a complete and operationally efficient SAF business model, as well as building a resilient supply-chain ecosystem.

As of 31 December 2024, the CAO Group recorded a total net profit of US\$78.09 million, an increase of 33.8% year-on-year. Earnings per share attributable to the owners of the Company similarly rose 33.2% year-on-year to 9.11 US cents, with a market capitalisation of S\$791.40 million, an increase of 4.5% year-on-year. The CAO Group continues to maintain a healthy financial position with sufficient capital, strong asset liquidity and a low debt-to-asset ratio.

In appreciation of the continued support of our shareholders, the Board of Directors has recommended the declaration and payment of a one-tier, tax-exempt final ordinary dividend of 3.72 Singapore cents per

share for approval by shareholders at the upcoming 31st Annual General Meeting of CAO. We remain committed to delivering long-term shareholder value and sharing the fruits of our success with our shareholders.

Global economic and geopolitical uncertainties are expected to linger in 2025. Nevertheless, the Board of Directors will continue to lead and guide the Management and staff in driving business growth while ensuring all potential risks are well-managed. Sustaining our relentless drive in executing our strategy and productivity, we will continue to advance the CAO Group's transition towards low-carbon business, seek viable ways to further increase profitability, enhance our risk controls, sharpen our innovative capacity, and explore quality investments in oil-related assets, so as to fully embrace our development towards synergistic excellence and sustainable transformation to unlock greater value for our shareholders as well as for the society as a whole.

Shi Yanliang
Chairman

CHAIRMAN'S STATEMENT

董事长致辞

首先我谨代表董事会感谢所有股东、客户和各方合作伙伴对中国航油(新加坡)股份有限公司的支持和信任,衷心感谢管理层和全体员工的辛勤付出!

2024年公司所处的行业环境依然交织着各种复杂因素:一方面,地缘政治波动加剧,宏观形势不确定性上升,世界主要经济体有所恢复但不及预期,国际油价宽幅震荡;另一方面,国际民航业的恢复较快,中国航煤需求恢复性增长,新能源在能源消费中的比重显著提升。面对机遇和挑战,公司积极培育新质生产力,凭借完善的公司治理体系、系统的风险管控能力和有效的低碳转型行动,实现了经营业绩的稳健增长,斩获了新加坡企业大奖“最佳风险管理金奖”、新加坡证券投资者协会颁发的上市公司“最透明奖”(能源组冠军)以及亚洲卓越企业暨永继发展奖“绿色创新奖”。公司也凭借良好的公司治理和合规实践,保持了新加坡全球贸易商计划成员以及新加坡交易所快速通道计划成员的荣誉。

2024年,公司践行高标准的治理实践,加强ESG战略管理,稳定呈现着董事会科学决策、专业委员会各司其职、董事勤勉履职的良好局面。公司以秉持负责任的能源商业实践,推动可持续发展转型为愿景,以绿色转型、以人为本、开放合作、强化治理为中远期ESG战略的有力支柱,在低碳转型、维护生物多样性、构建可持续供应链等多个关键领域持续发力。同时,公司继续以2050年实现“碳中和”为目标,顺利完成年度阶段性减碳任务,积极应对全球气候变化。

2024年,公司围绕做优做强航煤业务的战略方针,推进“全球航煤贸易中心”、“全球航空市场营销中心”的顺利落地。“全球航煤贸易中心”将成为整合亚太、北美、欧洲航

煤资源、强化全球航煤供应与贸易的一体化运作,进一步扩大全球贸易网络的引擎。“全球航空市场营销中心”针对各区域航空市场的业务需求,为航司客户提供全球化服务方案,不断提升服务效率和质量,增强中国航油在国际航空市场的品牌影响力。同时,公司积极探索新能源、物流仓储、机场加注等实业投资机会,以支持公司进一步构建成熟的SAF业务模式、坚实新能源业务的供应链基础。

截至2024年12月31日,公司2024财年累计实现净利润7,809万美元,同比增加33.8%;每股收益9.11美分,同比上涨33.2%;市值规模7.91亿新元,同比上涨4.5%。2024财年公司资金充裕,资产流动性强,资产负债率低,财务状况保持稳健。在即将召开的第31次常年股东大会上,董事会将提请股东批准派发年终普通股股息每股3.72新分。中国航油新加坡公司铭记为股东创造价值的使命,始终与股东共享发展成果。

2025年,预计世界经济前景和地缘政治局势仍然面临诸多不确定性。公司董事会将继续带领管理层和全体员工锚定“稳中求进”的发展目标,保持奋辑争先的昂扬斗志,统筹做好能源转型、经营创效、风险防控、科技创新和实业投资等各项工作,持续构建“多元协同、绿色发展”的高质量发展模式,为股东和社会创造更大的价值。

史延亮
执行董事长



BOARD OF DIRECTORS

董事会



SHI YANLIANG, 53
Executive Chairman

Date of first appointment as a director:
15 December 2023

Date of last re-election as a director:
25 April 2024

Length of service as director:
1 year
(as at 31 December 2024)

Board Committee(s) served on:
Nil

Academic and Professional Qualification(s):

- Master's Degree in Petroleum and Natural Gas Engineering, Yangtze University, China
- Qualified Engineer, China

Present Directorships:

Other Listed Companies:
Nil

Other Principal Directorships:

- China National Aviation Petrochemicals Pipeline Co., Ltd (Chairman)

Other Principal Commitments:
Nil

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):
Nil

Others:

- Former General Manager of China National Aviation Petrochemicals Pipeline Co., Ltd
- Former General Manager of China Aviation Oil Import and Export Co., Ltd

史延亮, 53岁
执行董事长

首次当选董事日期:
2023年12月15日

上次董事重选日期:
2024年4月25日

供职董事年限:
1年
(截至2024年12月31日)

供职董事委员会:
无

学术和专业资历:

- 长江大学油气田开发工程硕士学位
- 中国专业工程师

现任董事席位:

其他上市公司:
无

其他主要董事席位:

- 中航油石化管道有限公司(董事长)

主要任职:
无

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):
无

其他:

- 曾任中航油石化管道有限公司总经理
- 曾任中国航油进出口有限公司总经理

BOARD OF DIRECTORS

董事会



TEO SER LUCK, 56
Lead Independent Director

Date of first appointment as a director:
24 April 2019

Date of last re-election as a director:
25 April 2024

Length of service as director:
5 years 8 months
(as at 31 December 2024)

Board Committee(s) served on:

- Audit Committee (Chairman)
- Sustainability Committee (Chairman)
- Risk Management Committee (Member)
- Nominating Committee (Member)

Academic and Professional Qualification(s):

- Degree in Accountancy,
Nanyang Technological University, Singapore

Present Directorships:

Other Listed Companies:

- BRC Asia Limited (Chairman)
- Serial System Ltd (Deputy Chairman)
- Straco Corporation Limited (Independent Director)
- Yanlord Land Group Limited (Independent Director)
- Super Hi International Holding Ltd. (Independent Director)

Other Principal Directorships:

Nil

Other Principal Commitments:

- President of the Institute of Singapore Chartered Accountants (ISCA)

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

- Lead Independent Director of MindChamps PreSchool Limited

Others:

- Former Minister of State for Trade and Industry
- Former Senior Parliamentary Secretary in the Ministry of Transport and Ministry of Community Development, Youth and Sports
- Former Minister of State for Manpower
- Former Mayor of the North East District
- Former Member of Parliament

张思乐, 56岁
首席独立董事

首次当选董事日期:
2019年4月24日

上次董事重选日期:
2024年4月25日

供职董事年限:
5年8个月
(截至2024年12月31日)

供职董事委员会:
审计委员会 (主席)
可持续发展委员 (主席)
风险管理委员会 (成员)
提名委员会 (成员)

学术和专业资历:
• 新加坡南洋理工大学, 会计学位

现任董事席位:

其他上市公司:

- BRC亚洲有限公司 (董事长)
- 新晔集团 (副董事长)
- 星雅集团 (独立董事)
- 仁恒置地集团有限公司 (独立董事)
- 特海国际控股有限公司 (独立董事)

其他主要董事席位:
无

主要任职:

- 新加坡特许会计师协会主席

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):
• 迈杰思幼儿园有限公司 (首席独立董事)

其他:

- 曾任贸工部政务部长
- 曾任社会发展、青年及体育部和交通部高级政务次长
- 曾任人力部政务部长
- 曾任东北区市长
- 曾任新加坡国会议员

BOARD OF DIRECTORS

董事会



ZHANG YUCHEN, 51

Non-Executive,
Non-Independent Director

Date of first appointment as a director:

1 November 2020

Date of last re-election as a director:

27 April 2023

Length of service as director:

4 years 2 months
(as at 31 December 2024)

Board Committee(s) served on:

Audit Committee (Vice Chairman)
Risk Management Committee (Vice Chairman)
Sustainability Committee (Vice Chairman)
Nominating Committee (Member)

Academic and Professional Qualification(s):

- Bachelor of Engineering
- Qualified Senior Engineer, China

Present Directorships:

Other Listed Companies:

Nil

Other Principal Directorships:

Nil

Other Principal Commitments:

- Safety Director and General Manager of Safety, Quality and Environment Department of China National Aviation Fuel Group Limited

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

Nil

Others:

- Former General Manager of Procurement Management Department, China National Aviation Fuel Group Limited
- Former General Manager of South China Bluesky Corporation Ltd, Hubei branch
- Former Deputy General Manager of South China Bluesky Corporation Ltd, Hubei branch
- Former Manager of Safety Monitoring Technology Development Department, South China Bluesky Corporation Ltd
- Former Assistant to the General Manager, South China Bluesky Corporation Ltd, Hubei branch

张宇尘, 51岁

非执行、非独立董事

首次当选董事日期:

2020年11月1日

上次董事重选日期:

2023年4月27日

供职董事年限:

4年2个月
(截至2024年12月31日)

供职董事委员会:

审计委员会 (副主席)
风险管理委员会 (副主席)
可持续发展委员会 (副主席)
提名委员会 (成员)

学术和专业资历:

- 工学学士
- 中国高级工程师

现任董事席位:

其他上市公司:

无

其他主要董事席位:

无

主要任职:

- 中国航空油料集团有限公司安全总监兼安全质量环保部总经理

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):

无

其他:

- 曾任中国航空油料集团有限公司采购管理部总经理
- 曾任华南蓝天航空油料有限公司湖北分公司总经理
- 曾任华南蓝天航空油料有限公司湖北分公司副总经理
- 曾任华南蓝天航空油料有限公司安全技术监督开发部经理
- 曾任华南蓝天航空油料有限公司湖北分公司总经理助理

BOARD OF DIRECTORS

董事会



SHI LEI, 60

Non-Executive,
Non-Independent Director

Date of first appointment as a director:

1 September 2021

Date of last re-election as a director:

25 April 2024

Length of service as director:

3 years 3 months
(as at 31 December 2024)

Board Committee(s) served on:

Nominating Committee (Vice Chairman)
Remuneration Committee (Vice Chairman)
Risk Management Committee (Member)

Academic and Professional Qualification(s):

- Radio-Electronics, School of Electronics, Shandong University
- Master of Business Administration, Shandong University
- Qualified Senior Engineer, China

Present Directorships:

Other Listed Companies:

Nil

Other Principal Directorships:

Nil

Other Principal Commitments:

Nil

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

- China National Aviation Fuel Corporation Limited (Director)

Others:

- Former Assistant to General Manager of China National Aviation Fuel Group Limited
- Former General Manager, Human Resource Department of China National Aviation Fuel Group Limited
- Former General Manager of China National Aviation Fuel Corporation Ltd, North-West Branch
- Former Deputy General Manager of China National Aviation Fuel Corporation Ltd, East China Branch
- Former General Manager of China National Aviation Fuel Corporation Ltd, Shandong Branch
- Former Deputy General Manager of China National Aviation Fuel Corporation Ltd, Shandong Branch
- Former Head of Human Resources of China National Aviation Fuel Corporation Ltd, Shandong Branch
- Worked in CAAC Shandong Regional Administration

石磊, 60岁

非执行、非独立董事

首次当选董事日期:

2021年9月1日

上次董事重选日期:

2024年4月25日

供职董事年限:

3年3个月
(截至2024年12月31日)

供职董事委员会:

提名委员会 (副主席)
薪酬委员会 (副主席)
风险管理委员会 (成员)

学术和专业资历:

- 山东大学电子系无线电电子学专业
- 山东大学工商管理硕士研究生
- 中国高级工程师

现任董事席位:

其他上市公司:

无

其他主要董事席位:

无

主要任职:

无

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):

- 中国航空油料有限责任公司 (董事)

其他:

- 曾任中国航空油料集团有限公司总经理助理
- 曾任中国航空油料集团有限公司人力资源部总经理
- 曾任中国航空油料有限责任公司西北公司总经理
- 曾任中国航空油料有限责任公司华东公司副总经理
- 曾任中国航空油料有限责任公司山东分公司总经理
- 曾任中国航空油料有限责任公司山东分公司副总经理
- 曾任中国航空油料有限责任公司山东分公司人劳科科长
- 曾任职于民航山东省管理局

BOARD OF DIRECTORS

董事会



LIN YI, 55

Chief Executive Officer/
Executive Director

Date of first appointment as a director:

15 March 2023

Date of last re-election as a director:

27 April 2023

Length of service as director:

1 year 9 months
(as at 31 December 2024)

Board Committee(s) served on:

Nil

Academic and Professional Qualification(s):

- Bachelor of Engineering Studies
- Qualified Senior Engineer, China

Present Directorships:

Other Listed Companies:

Nil

Other Principal Directorships:

- China Aviation Oil (Hong Kong) Company Limited (Chairman)
- North American Fuel Corporation (Chairman)
- China Aviation Fuel (Europe) Limited (Chairman)
- Oilhub Korea Yeosu Co., Ltd (Director)
- Shanghai Pudong International Airport Aviation Fuel Supply Corporation Ltd (Deputy Chairman)

Other Principal Commitments:

Nil

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

Nil

Others:

- Former General Manager of China National Aviation Fuel South China Bluesky Corporation Ltd
- Former General Manager of China National Aviation Fuel South China Bluesky Corporation Ltd, Guangdong Branch
- Former Adviser of China National Aviation Fuel South China Bluesky Corporation Ltd

林奕, 55岁

首席执行官/执行董事

首次当选董事日期

2023年3月15日

上次董事重选日期

2023年4月27日

供职董事年限:

1年9个月
(截至2024年12月31日)

供职董事委员会:

无

学术和专业资历:

- 大学本科学历工学学士
- 中国高级工程师

现任董事席位:

其他上市公司:

无

其他主要董事席位:

- 中国航油(香港)有限公司(董事长)
- 北美航油有限公司(董事长)
- 中国航油(欧洲)有限公司(董事长)
- 韩国丽水枢纽油库有限公司(董事)
- 上海浦东国际机场航空油料有限责任公司(副董事长)

主要任职:

无

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):

无

其他:

- 曾任华南蓝天航空油料有限公司总经理
- 曾任华南蓝天航空油料有限公司广东分公司总经理
- 曾任华南蓝天航空油料有限公司总经理顾问

BOARD OF DIRECTORS

董事会



HEE THENG FONG, 70

Non-Executive,
Independent Director

Date of first appointment as a director:

24 April 2019

Date of last re-election as a director:

25 April 2024

Length of service as director:

5 years 8 months
(as at 31 December 2024)

Board Committee(s) served on:

- Risk Management Committee (Chairman)
- Audit Committee (Member)
- Remuneration Committee (Member)
- Sustainability Committee (Member)

Academic and Professional Qualification(s):

- L.L.B. (Honours), National University of Singapore
- Diploma in PRC Law, Suzhou University

Present Directorships:

Other Listed Companies:

- Straco Corporation Limited (Independent Director)
- Yanlord Land Group Limited (Independent Director)
- Haidilao International Holding Ltd (Independent Director)
- H World Group Limited (Independent Director)

Other Principal Directorships:

- Green Link Digital Bank Pte. Ltd.
- Hi-P International Pte. Ltd.

Other Principal Commitments:

- Independent Arbitrator and Mediator with The Arbitration Chambers

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

- Independent Director of Zheneng Jinjiang Environment Holding Company Limited

Others:

- Deputy Chairman of Singapore Medishield Life Council
- Member of ACRA's Complaints and Disciplinary Panel
- Member of Advisory Committee for "China Ready Programme" under the Ministry of Law
- Member of Experts Team under Ministry of Law and China Council for the Promotion of International Trade
- Member of Traditional Chinese Medicine Practitioners Board

许廷芳, 70岁

非执行、独立董事

首次当选董事日期:

2019年4月24日

上次董事重选日期:

2024年4月25日

供职董事年限:

5年8个月
(截至2024年12月31日)

供职董事委员会:

- 风险管理委员会 (主席)
- 审计委员会 (成员)
- 薪酬委员会 (成员)
- 可持续发展委员 (成员)

学术和专业资历:

- 新加坡国立大学, 法学 (荣誉) 学士
- 苏州大学, 中国法律文凭

现任董事席位:

其他上市公司:

- 星雅集团 (独立董事)
- 仁恒置地集团有限公司 (独立董事)
- 海底捞国际控股有限公司 (独立董事)
- 华住集团有限公司 (独立董事)

其他主要董事席位:

- 绿联数码银行
- 赫比国际有限公司

主要任职:

- The Arbitration Chambers 独立仲裁员及调解员

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):

- 浙能锦江环境控股有限公司 (独立董事)

其他

- 新加坡终身健保理事会副主席
- 新加坡会计与企业管理局投诉纪律小组委员
- 新加坡律政部“中国通识”计划咨询委员会委员
- 新加坡律政部和国际贸易促进委员会联合机制工作组专家团委员
- 新加坡中医管理委员会委员

BOARD OF DIRECTORS

董事会



FU XINGRAN, 47
Non-Executive,
Independent Director

Date of first appointment as a director:
30 September 2021

Date of last re-election as a director:
27 April 2022

Length of service as director:
3 years 3 months
(as at 31 December 2024)

Board Committee(s) served on:

- Nominating Committee (Chairman)
- Audit Committee (Member)
- Remuneration Committee (Member)
- Sustainability Committee (Member)

Academic and Professional Qualification(s):

- Doctor of Philosophy in Financial Engineering
Heriot-Watt University

Present Directorships:

Other Listed Companies:

Nil

Other Principal Directorships:

- Beijing Rongyi Investment and Management Co., Ltd (Director)
- Beijing Jingcheng Zhitong Robot Technology Co., Ltd (Director)
- Beijing Jingguochuang Funds Management Co., Ltd (Director)
- Beijing Ba Yue Gua Technology Co., Ltd (Director)
- Beijing Foreign Enterprise Human Resources Service Co., Ltd (Director)
- Beijing Environment Co., Ltd (Director)

Other Principal Commitments:

- General Manager of Beijing Rongyi Investment and Management Co., Ltd
- General Manager of Beijing Jingguochuang Funds Management Co., Ltd

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

- Director of Beijing Tianshi Kaiyun Equity Fund Management Co., Ltd.

Others:

- Former Deputy General Manager of Beijing Innovation Industry Investment Co., Ltd.
- Former Deputy General Manager of Beijing Tianshi Kaiyuan Equity Fund Management Co., Ltd.
- Former Deputy General Manager of Funds Investment Department, Beijing State-owned Capital Operation and Management Center
- Former Investment Manager of Business Innovation Department of PICC Asset Management Company Limited/PICC Capital Insurance Asset Management

付星然, 47岁

非执行、独立董事

首次当选董事日期:
2021年9月30日

上次董事重选日期:
2022年4月27日

供职董事年限:
3年3个月
(截至2024年12月31日)

供职董事委员会:

- 提名委员会 (主席)
- 审计委员会 (成员)
- 薪酬委员会 (成员)
- 可持续发展委员 (成员)

学术和专业资历:

- 英国赫瑞 - 瓦特大学金融工程专业博士学位

现任董事席位:

其他上市公司:

无

其他主要董事席位:

- 北京融溢投资管理有限公司 (董事)
- 北京京城智通机器人科技有限公司 (董事)
- 北京京国创基金管理有限公司 (董事)
- 北京八月瓜科技有限公司 (董事)
- 北京外企人力资源服务有限公司 (董事)
- 北京环境有限公司 (董事)

主要任职:

- 北京融溢投资管理有限公司总经理
- 北京京国创基金管理有限公司总经理

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):

- 北京天时开元股权基金管理有限公司 (董事)

其他:

- 曾任北京创新产业投资有限公司 副总经理
- 曾任北京天时开元股权基金管理有限公司 副总经理
- 曾任北京国有资本经营管理中心基金投资部 副总经理
- 曾任中国人保资产管理股份有限公司/人保资本投资管理有限公司 创新业务部 投资经理

BOARD OF DIRECTORS

董事会



**JEFFREY GOH
MAU SEONG, 56**

*Non-Executive,
Independent Director*

**Date of first appointment
as a director:**

31 December 2021

**Date of last re-election
as a director:**

27 April 2022

**Length of service
as director:**

3 years
(as at 31 December 2024)

Board Committee(s) served on:

- Remuneration Committee (Chairman)
- Risk Management Committee (Member)
- Nominating Committee (Member)
- Sustainability Committee (Member)

Academic and Professional Qualification(s):

- Doctor of Philosophy – Principles and Policies of Regulating Airline Competition, University of Sheffield, United Kingdom
- Bachelor of Laws, University of Hull, Hull, United Kingdom

Present Directorships:

Other Listed Companies:

Nil

Other Principal Directorships:

- Bahrain Airport Services Company B.S.C. (c) (Deputy Chairman)

Other Principal Commitments:

- Chief Executive Officer of Gulf Air Group Holding Company (Bahrain)

**Past Directorships held over
the preceding 3 years
(from 1 January 2022 to 31 December 2024):**

- Director of Star Alliance (SG) Pte. Ltd.
- Director of Airline Passenger Experience Association (US)

Others:

- Former Chief Executive Officer of Star Alliance (Germany/Singapore)
- Former Chief Operating Officer & General Counsel of Star Alliance (Germany)
- Former General Counsel & VP Corporate Services of Star Alliance (Germany)

吴茂松, 56岁

非执行、独立董事

首次当选董事日期:

2021年12月31日

上次董事重选日期:

2022年4月27日

任职董事年限:

3年
(截至2023年12月31日)

任职董事委员会:

- 薪酬委员会 (主席)
- 风险管理委员会 (成员)
- 提名委员会 (成员)
- 可持续发展委员 (成员)

学术和专业资历:

- 哲学博士, 规范航空公司竞争的原则和政策, 英国谢菲尔德大学
- 法学学士, 英国赫尔大学

现任董事席位:

其他上市公司:

无

其他主要董事席位:

- 巴林机场服务公司 (副董事长)

主要任职:

- 海湾航空控股公司 (巴林) 首席执行官

**过去三年曾任董事席位
(2022年1月1日至2024年12月31日):**

- 星空联盟 (新加坡) 私人有限公司 (董事)
- 航空公司乘客体验协会 (美国) (董事)

其他:

- 曾任星空联盟 (德国/新加坡) 首席执行官
- 曾任星空联盟 (德国) 首席运营官兼总法律顾问
- 曾任星空联盟 (德国) 总法律顾问兼企业服务副总裁

BOARD OF DIRECTORS

董事会



RICHARD YANG MINGHUI, 55

Non-Executive,
Non-Independent Director

Date of first appointment as a director:

31 May 2021

Date of last re-election as a director:

27 April 2023

Length of service as director:

3 years 7 months
(as at 31 December 2024)

Board Committee(s) served on:

Audit Committee (Member)
Remuneration Committee (Member)

Academic and Professional Qualification(s):

- PHD in Business Administration
West Coast University (USA)
- Master of Business Administration
Columbia South University (USA)
- Bachelor Degree in Mechanical Engineering
Huazhong University of Science &
Technology (China)

Present Directorships:

Other Listed Companies:

Nil

Other Principal Directorships:

- Shenzhen Cheng Yuan Aviation Oil Co., Ltd
(Vice Chairman)
- South China Bluesky Aviation Oil Co., Ltd
(Vice Chairman)

Other Principal Commitments:

- General Manager (China Aviation Sector) of
BP (China) Holding Company

Past Directorships held over the preceding 3 years (from 1 January 2022 to 31 December 2024):

Nil

Others:

- Former Board Director, General Manager of
ABC Company
- Former Part-time Consultant in Automobile
Business
- Former Asia Senior Vice President and
General Manager (China) of TPI Composites
Group
- Former Vice President (Heavy Industries &
Services) of SKF Sales Ltd
- Former Director (Strategic Industries) of
SKF China Ltd
- Former General Manager of SKF (Shanghai)
Automotive Bearings Co., Ltd

杨明辉, 55岁

非执行、非独立董事

首次当选董事日期:

2021年5月31日

上次董事重选日期:

2023年4月27日

供职董事年限:

3年7个月
(截至2024年12月31日)

供职董事委员会:

审计委员会 (成员)
薪酬委员会 (成员)

学术和专业资历:

- 美国西海岸大学工商管理博士学位
- 美国南哥伦比亚大学工商管理硕士学位
- 中国华中科技大学机械工程学士

现任董事席位:

其他上市公司:

无

其他主要董事席位:

- 深圳承远航空油料有限公司 (副董事长)
- 华南蓝天航空油料有限公司 (副董事长)

主要任职:

- 碧辟 (中国) 投资有限公司 (中国航空部)
总经理

过去三年曾任董事席位 (2022年1月1日至2024年12月31日):

无

其他:

- 曾任ABC公司董事兼总经理
- 曾任汽车行业特约顾问
- 曾任美国TPI复合材料构件公司亚洲区
高级副总裁兼中国区总经理
- 曾任瑞典SKF斯凯孚销售公司重工业
销售和服务市场副总裁
- 曾任瑞典SKF斯凯孚中国区战略工业部
总裁
- 曾任瑞典SKF斯凯孚 (上海) 汽车技术
有限公司总经理

CORPORATE INFORMATION (as at March 2025)**公司信息** (截至2025年3月)**DIRECTORS****Shi Yanliang***(Executive Chairman)***Teo Ser Luck***(Lead Independent Director)***Zhang Yuchen***(Non-Executive,
Non-Independent Director)***Shi Lei***(Non-Executive,
Non-Independent Director)***Lin Yi***(Chief Executive Officer/
Executive Director)***Hee Theng Fong***(Independent Director)***Fu Xingran***(Independent Director)***Jeffrey Goh Mau Seong***(Independent Director)***Richard Yang Minghui***(Non-Executive,
Non-Independent Director)***AUDIT COMMITTEE****Teo Ser Luck** (Chairman)**Zhang Yuchen** (Vice Chairman)**Hee Theng Fong****Fu Xingran****Richard Yang Minghui****REMUNERATION COMMITTEE****Jeffrey Goh Mau Seong** (Chairman)**Shi Lei** (Vice Chairman)**Hee Theng Fong****Fu Xingran****Richard Yang Minghui****NOMINATING COMMITTEE****Fu Xingran** (Chairman)**Shi Lei** (Vice Chairman)**Teo Ser Luck****Zhang Yuchen****Jeffrey Goh Mau Seong****RISK MANAGEMENT COMMITTEE****Hee Theng Fong** (Chairman)**Zhang Yuchen** (Vice Chairman)**Teo Ser Luck****Shi Lei****Jeffrey Goh Mau Seong****SUSTAINABILITY COMMITTEE****Teo Ser Luck** (Chairman)**Zhang Yuchen** (Vice Chairman)**Hee Theng Fong****Fu Xingran****Jeffrey Goh Mau Seong****COMPANY SECRETARY****Doreen Nah****AUDITORS****BDO LLP***(Appointed on 25 April 2024)*

600 North Bridge Road

#23-01 Parkview Square

Singapore 188778

Partner in charge: Ng Kian Hui

*(Since financial year 2024)***SHARE REGISTRAR AND
SHARE TRANSFER OFFICE****Boardroom Corporate & Advisory Services Pte. Ltd.**

1 Harbourfront Avenue

Keppel Bay Tower #14-07

Singapore 098632

PRINCIPAL BANKERS

Australia and New Zealand Banking Group Limited

Agricultural Bank of China Limited

Bank of China Limited

Bank of Communications Co., Ltd

China Construction Bank Corporation Limited

Industrial and Commercial Bank of China Limited

Overseas-Chinese Banking Corporation Limited

Shanghai Pudong Development Bank Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited

United Overseas Bank Limited

REGISTERED OFFICE

8 Temasek Boulevard

#31-02 Suntec Tower Three

Singapore 038988

Tel: (65) 6334 8979

Fax: (65) 6333 5283

Website: www.caosco.com

董事**史延亮***(执行董事长)***张思乐***(首席独立董事)***张宇尘***(非执行、非独立董事)***石磊***(非执行、非独立董事)***林奕***(首席执行官/执行董事)***许廷芳***(独立董事)***付星然***(独立董事)***吴茂松***(独立董事)***杨明辉***(非执行、非独立董事)***审计委员会****张思乐** (主席)**张宇尘** (副主席)**许廷芳****付星然****杨明辉****薪酬委员会****吴茂松** (主席)**石磊** (副主席)**许廷芳****付星然****杨明辉****提名委员会****付星然** (主席)**石磊** (副主席)**张思乐****张宇尘****吴茂松****风险管理委员会****许廷芳** (主席)**张宇尘** (副主席)**张思乐****石磊****吴茂松****可持续发展委员会****张思乐** (主席)**张宇尘** (副主席)**许廷芳****付星然****吴茂松****公司秘书****蓝肖蝶****外部审计师****德豪有限责任合伙人制***(受聘于2024年4月25日)*

桥北路600号, 侨福广场23楼01号

新加坡邮区188778

负责合伙人: 黄健辉

*(从2024财年起)***股票登记处和转让处****宝德隆企业与咨询服务有限公司**

港湾道1号, 吉宝湾大厦14楼7号,

新加坡邮区098632

主要银行

澳大利亚和新西兰银行集团有限公司

中国农业银行股份有限公司

中国银行股份有限公司

交通银行股份有限公司

中国建设银行股份有限公司

中国工商银行股份有限公司

华侨银行有限公司

上海浦东发展银行股份有限公司

香港上海汇丰银行有限公司

大华银行有限公司

注册办公室

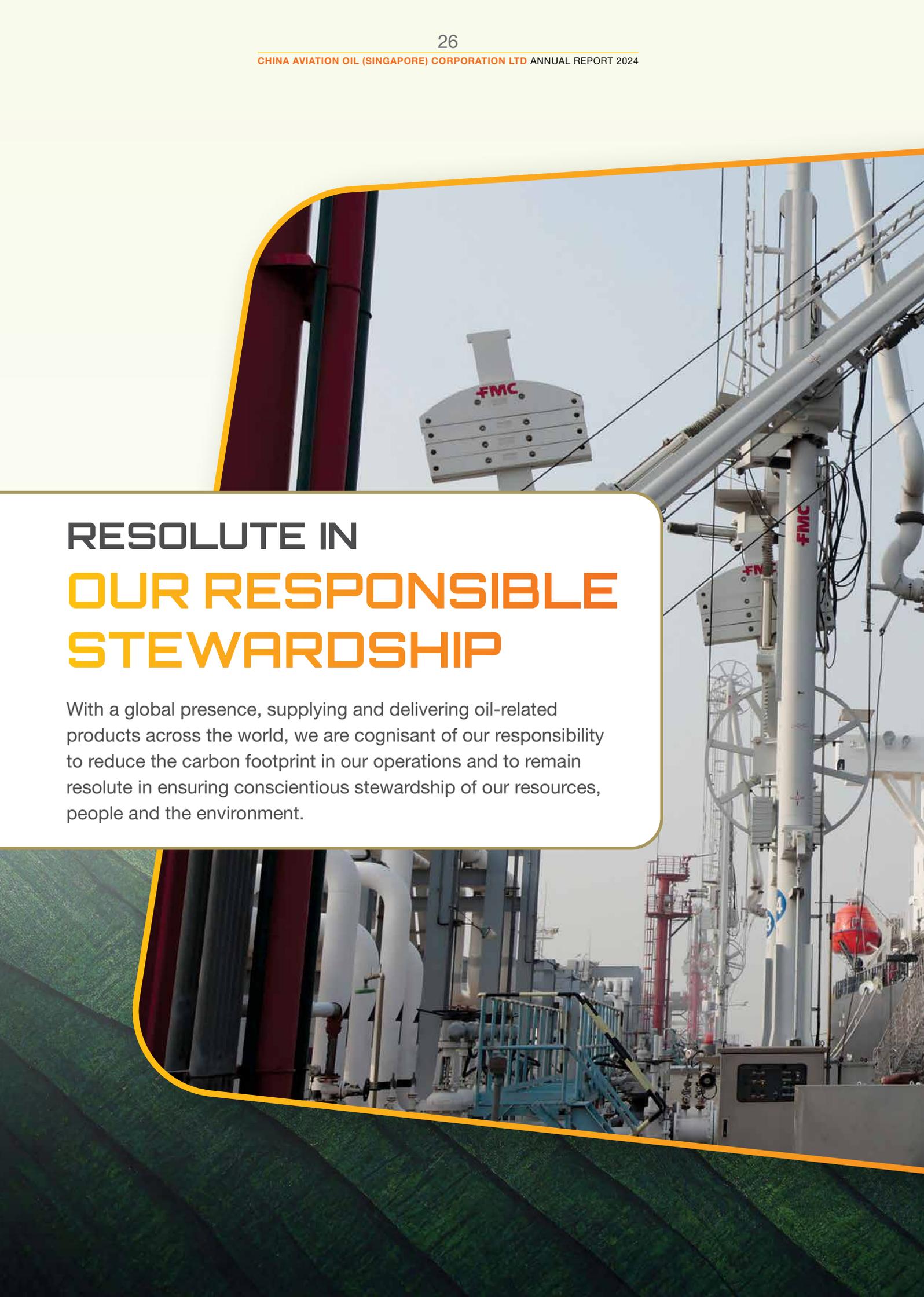
淡马锡林荫道8号新达城第3大厦31楼2号

新加坡邮区038988

电话: (65) 6334 8979

传真: (65) 6333 5283

网址: www.caosco.com

A photograph of an industrial facility, likely an oil refinery or processing plant. The image shows a complex network of pipes, ladders, and structural elements. A prominent white structure in the center has the 'FMC' logo in red. The background is a clear sky. The image is framed with a yellow border that curves around the text area.

RESOLUTE IN OUR RESPONSIBLE STEWARDSHIP

With a global presence, supplying and delivering oil-related products across the world, we are cognisant of our responsibility to reduce the carbon footprint in our operations and to remain resolute in ensuring conscientious stewardship of our resources, people and the environment.



CEO'S MESSAGE 首席执行官致辞



2024年, 我们建立
“全球航煤贸易中心”,
提升国际航煤贸易
能力的同时, 强化业务
转型发展。



Lin Yi

Chief Executive Officer/
Executive Director

林奕

首席执行官/执行董事



CEO'S MESSAGE

首席执行官致辞

Adhering to our core values of excellence, innovation, diversity and integrity, China Aviation Oil (Singapore) Corporation Ltd (“CAO”) continues to create value for its shareholders, customers and business partners through upholding high standards of corporate governance, maintaining robust risk management practices and optimising supply chains.

Despite a year filled with challenges and changes, the Company remained steadfast in achieving high-quality growth, focussing on enhancing its core business functions and competitive advantages. Testament to our efforts, the Company achieved new milestones in the areas of innovation, low-carbon transition as well as synergistic partnerships. As of 31 December 2024, the CAO Group has achieved a total sales revenue of US\$15.52 billion, an increase of 7.6% year-on-year. Operating profit rose 11.9% year-on-year to US\$39.86 million, while net profit increased 33.8% year-on-year to US\$78.09 million.

CAO's accomplishments would not be possible without the strong support and guidance from our parent company, China National Aviation Fuel Group Limited (“CNAF”), along with the cooperation and trust from our suppliers, trading counterparties, banks and other

business partners. On behalf of the Management and staff of CAO, I would like to express my heartfelt gratitude to all our shareholders and industry partners.

In 2024, we continued to drive growth through a diverse and synergistic approach, while ensuring that all business risks remained within predetermined parameters. During the same year, we established the CAO Global Jet Fuel Trading Centre to enhance the CAO Group's global jet fuel trading network, which leverages on Singapore as a hub to fully synchronise the sale legs in the Asia Pacific, North America, and Europe. This allows the CAO Group to better allocate and match jet fuel resources, achieving logistics optimisation and enhancing its jet fuel trading capacity and structure globally.

Capitalising on market opportunities arising from the global aviation industry recovery, CAO continued to entrench its influence in global aviation sector, supplying jet fuel to 91 airlines across 36 airports worldwide. The Company closely monitored China's import window to facilitate the prompt supply of bonded jet fuel to international airports in China. In addition, the Company optimised its crude oil trading model and expanded its sourcing channels for other oil products, to further strengthen the CAO Group's presence in the international



CAO possesses a well-established global oil supply and trading network, with a strong presence in China.
依托于中国市场, 公司拥有一个庞大且稳固的全球航油供应和贸易网络。

CEO'S MESSAGE

首席执行官致辞



oil products trading market. The Company strictly adhered to its “four-tier, two-line” risk management framework and upheld strict compliance standards and robust risk control measures across all operations.

In 2024, we prioritised the development of “strategic emerging businesses” (“SEB”) and accelerating our transition into low-carbon business. A SEB taskforce was established to consolidate the CAO Group’s internal resources, reshape and energise the Company’s entire supply chain to sketch our new portfolio and road map. Based on the established SAF deal structure in Europe, the CAO Group further expanded its SAF operations and successfully entered the Asia Pacific market. Along with establishing a comprehensive SAF business model of “physical cargo procurement, certification and sales”, the CAO Group also traded carbon credits in the voluntary carbon market, totalling a 28,800 mt reduction in greenhouse gas emissions.

In 2024, we continued to fulfil our corporate social responsibility (“CSR”) through a series of CSR activities. Dedicated to bringing warmth and joy to the elderly as part of Mothers’ Day celebration, CAO staff volunteers and Management visited 64 elderly residents at Kwong Wai Shiu Hospital in May 2024, engaging them in

interactive games and performances. Additionally, to support the National Parks Board’s (“NParks”) One-Million-Trees movement, the Company organised a tree-planting activity in partnership with NParks. A total of 50 mangrove saplings were planted at Pulau Ubin to enhance natural protection along the shoreline, providing critical habitats for flora and fauna, safeguard the marine ecosystem, and reduce greenhouse gas emissions.

The geopolitical landscape is expected to remain complex and volatile amid heightened global economic uncertainty in 2025. Under the guidance of our Board of Directors, the Management will continue to lead all staff, with a focus on high-quality growth and optimising the mechanism of our Global Jet Fuel Trading Centre, to further enhance our value chain and competitive advantage. At the same time, we will endeavour to scale the business and enhance our operational efficiency to deliver a creditable performance in the year ahead.

Lin Yi
Chief Executive Officer/Executive Director

CEO'S MESSAGE

首席执行官致辞

中国航油(新加坡)股份有限公司始终秉持卓越、创新、多元、诚信的核心价值观,凭借高标准的公司治理、严格的风险管控和完善的供应链体系,持续为股东、客户及各方合作伙伴创造价值。

在2024充满外部挑战与变革的一年中,公司坚持高质量发展原则,紧紧围绕增强核心功能、提升核心竞争力,在创新求变、绿色低碳、协调发展等方面取得新成效。截至2024年12月31日,实现销售收入155.19亿美元,同比增加7.6%;营业利润3,986万美元,同比增加11.9%;净利润7,809万美元,同比增加33.8%。

公司的发展得到了母公司中国航空油料集团有限公司的大力支持和悉心指导,以及供应商、贸易对家、银行及其它商业伙伴的支持和信任。在此,我谨代表公司管理层和全体员工对各位股东和业界同仁表达最诚挚的感谢!

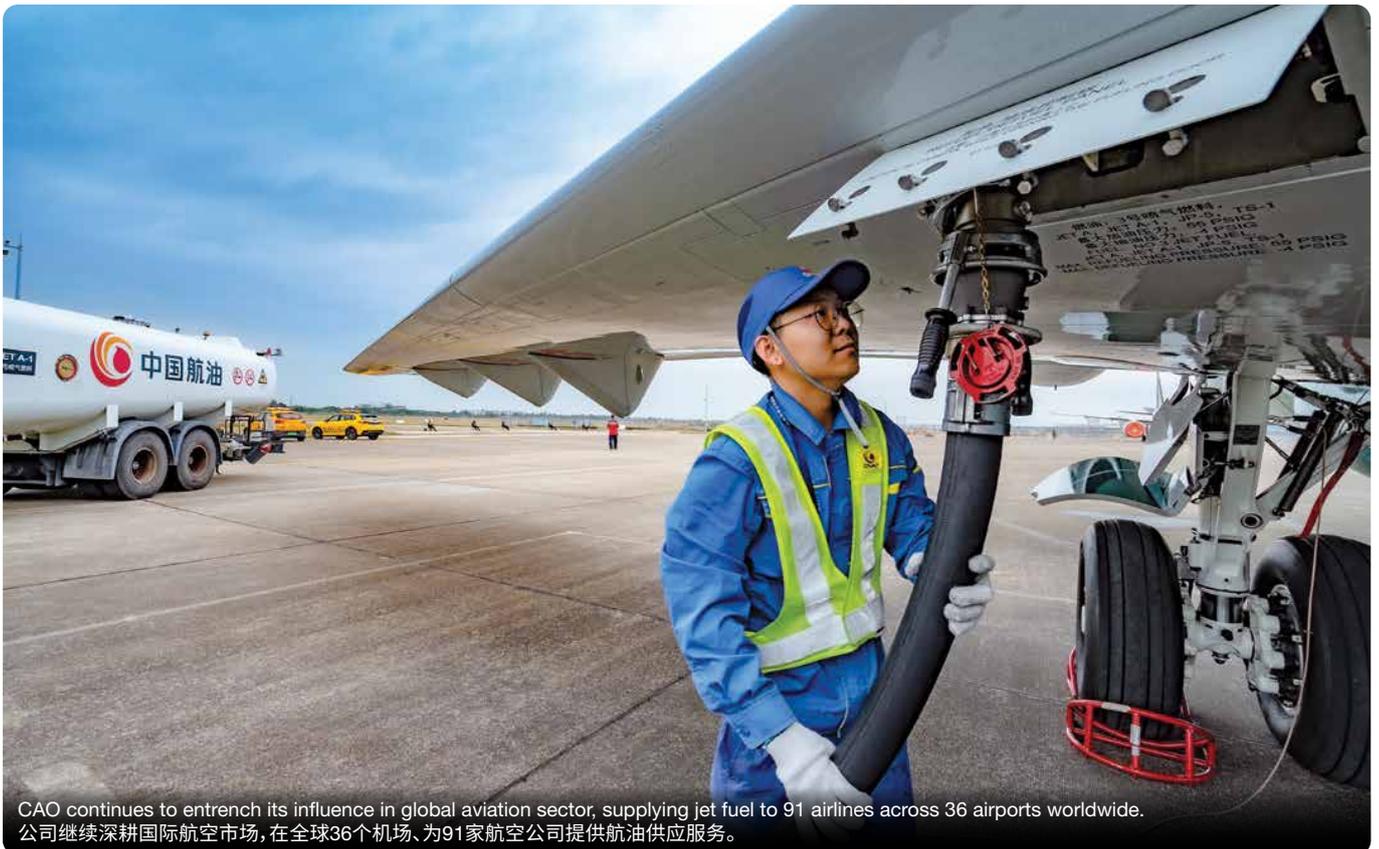
2024年,我们坚持多元协同发展,严控各项经营风险。我们正式运行“全球航煤贸易中心”,完善了以新加坡为中心,亚太、北美、欧洲为支点的全球航煤业务网络,统一协调航煤资源,优化物流环节,国际航煤贸易能力进一步提高。积极把握全球航空市场恢复性增长的市场机遇,深耕国际航空市场,在全球36个机场、为91家航空公司提供航油供应服务;紧盯中国市场进口窗口,及时完成国内保税机场的航油供应;优化原油贸易模式,拓展其他油品资源渠道,提升公司在国际油品贸易市场的参与度。严格执行“四重双线”风险管控机制,严守业务合规、风险可控底线。

2024年,我们培育战略新兴产业,推动绿色能源转型。成立战略性新兴产业专项工作小组,整合公司内部资源,聚焦全产业链发力,积极打造公司战略新兴产业发展的新格局、新业态。进一步拓展可持续航空燃料业务,深耕欧洲已有的业务模式,并成功进军亚太潜力市场,顺利完成了“采购—认证—销售”全链条运作和在自愿碳市场的碳额度交易,共计实现温室气体减排2.88万吨。

2024年,我们开展公益活动,履行企业社会责任。恰逢“母亲节”,公司管理层带领员工志愿者通过趣味游戏、节目表演等方式为64位在广惠肇留医院疗养的老人送上温暖和关爱。此外,为积极响应新加坡国家公园局的“百万树木运动”,公司与国家公园局合作,在新加坡乌敏岛种植了50棵红树树苗,为保护乌敏岛海岸线、为动植物提供栖息地,保护海洋生态环境,减少温室气体排放贡献绵薄之力。

展望2025,预计地缘政治形势依然复杂多变,世界经济走势不确定性增加。公司管理层将在董事会的带领下,紧紧围绕高质量发展目标,积极发挥“全球航煤贸易中心”的全局优化作用,进一步完善产业链布局,全面提升公司的核心竞争力,推动实现业务规模和经营效益的双提升,向董事会、股东交出一份满意的答卷。

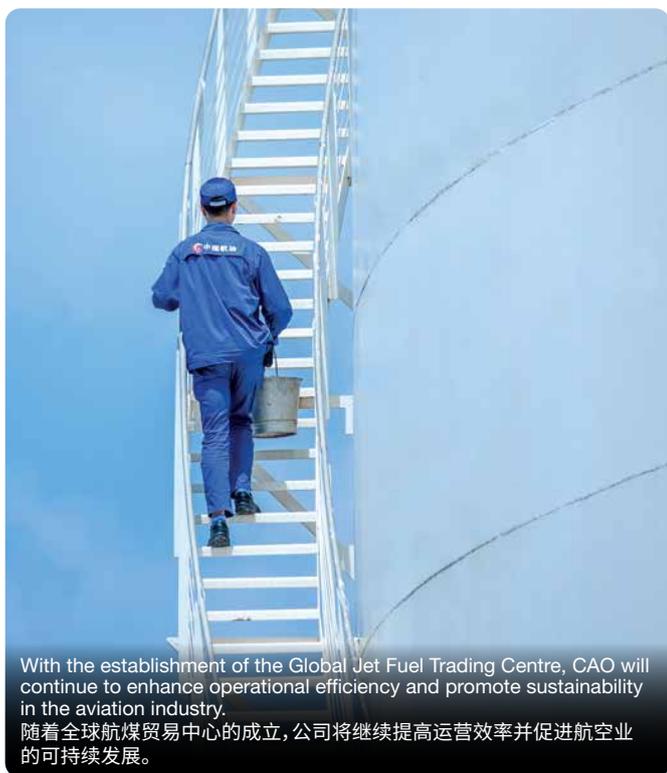
林奕
首席执行官/执行董事



CAO continues to entrench its influence in global aviation sector, supplying jet fuel to 91 airlines across 36 airports worldwide.
公司继续深耕国际航空市场,在全球36个机场、为91家航空公司提供航油供应服务。

CEO'S STRATEGIC REPORT – OPERATIONS REVIEW

首席执行官战略报告——经营概况



Highlights of Jet Fuel Supply and Trading Activities in 2024

The Red Sea crisis had led to a significant surge in freight rates. For instance, freight rates for Platts Korea-Japan medium-sized tanker increased from US\$500,000 at the beginning of 2024 to a peak of US\$1 million, while Platts Asia-Europe cross-regional freight rates rose from US\$5 million to a peak of US\$8 million. In the face of challenges like margin squeeze arising from sharp spike in freight rates and higher supply costs, the jet fuel team continued to play a leading role by strengthening coordination with subsidiaries to secure Asian jet fuel resources at competitive rates, seizing the limited opportunities when East-West arbitrage windows opened, and actively engaged in cross-regional jet fuel trading from Asia to North America and Europe to generate profits. In addition, the jet fuel team successfully expanded its winter heating oil supply business in Japan. Through accurate prediction of market opportunities as well as the establishment of a stable and efficient supply chain structure, the Company was able to increase its market share of heating oil sales in Japan, setting a record high for the Company in terms of annual sales and profitability; adding another driver of profit growth for the Company.

JET FUEL MARKET REVIEW

Jet fuel demand in Asia-Pacific climbed from 2.52 million barrels per day ("bpd") in 2023 to nearly 2.8 million barrels per day in 2024, an increase of about 284,000 bpd, led by strong air travel demand in China, India and Southeast Asia. In China, domestic passenger traffic volume exceeded 730 million in 2024, an increase of 10.6% compared to 2019. However, the recovery of China's international flights remained relatively subdued, having reached only 84% of pre-pandemic levels. China's jet fuel demand rose to approximately 974,000 bpd in 2024, a year-on-year increase of nearly 150,000 bpd. In the same year, Southeast Asian countries such as Thailand and Singapore experienced significant growth in jet fuel demand of approximately 58,000 bpd driven by increased leisure and business travel. In addition, India's annual jet fuel demand grew by 8% year-on-year. However, regional jet fuel supply remained ample. In 2024, Asia-Pacific jet fuel supply reached 3.17 million bpd, an increase of 252,000 bpd year-on-year, mainly attributed to higher jet fuel production in China and India. In addition to supply outstripping demand, arbitrage windows from Asia-Pacific to the West also remained largely unavailable leading to declines in several key indicators in the Asia-Pacific jet fuel market in 2024.

In 2024, Platts FOB Singapore jet fuel price averaged US\$95.13 per barrel, down by US\$9.44 or 9% year-on-year, posting a narrower decline compared to 2023.

Jet Fuel Market Outlook and Trading Strategies in 2025

On the supply side, Asia-Pacific jet fuel supply is expected to reach 3.37 million bpd in 2025, an increase of 195,000 bpd year-on-year. This is mainly attributed to the increased production of jet fuel in South Korea, Japan, China, and India. On the demand side, as China further opens up its domestic market for foreign businesses, coupled with the rapid recovery of both domestic and international flights, China's demand for jet fuel is expected to soar to a high of 1.05 million bpd in 2025. Rising jet fuel demand in India and Southeast Asia will further contribute to the demand in Asia-Pacific, with the overall demand for jet fuel in Asia-Pacific estimated to reach 2.99 million bpd, up by approximately 192,000 bpd. However, macroeconomic uncertainty and geopolitical conflicts are expected to limit the growth of Asia-Pacific jet fuel demand amid heightened market volatility.

In 2025, the Company will continue to secure domestic and international jet fuel resources through multiple channels, leverage existing advantages in storage capacity, shipping, and operations to fulfil our domestic supply obligations. The jet fuel team will also continuously explore synergistic and mutually beneficial cooperation models with refineries and end-user markets, to foster deeper trust and collaborative partnerships. At the same time, with the establishment of the Global Jet Fuel Trading Centre, the CAO Group will continue to enhance operational

CEO'S STRATEGIC REPORT – OPERATIONS REVIEW

首席执行官战略报告——经营概况

efficiency, promote sustainability in the aviation industry, conduct market and price analyses with subsidiaries, optimise resource utilisation and logistics solutions, as well as capturing opportune timings to conduct arbitrage trading and maximise the CAO Group's overall profitability.

AVIATION MARKETING REVIEW

In 2024, the global aviation industry continued its steadfast journey towards recovery, with growth in both passenger and cargo volumes. According to the International Air Transport Association ("IATA"), total full-year traffic in 2024 (measured in revenue passenger kilometers or RPKs) rose 10.4% compared to 2023.

China's aviation industry also performed remarkably well. In 2024, China's civil aviation transportation scale increased significantly, benefiting from continued domestic economic recovery, gradual recovery of international flights, and strong performance in the air cargo market. In 2024, China's aviation industry achieved a total transportation turnover of 148.52 billion tonne-kilometers, a 25% year-on-year increase. Passenger traffic reached 730 million, while cargo and mail transportation volume hit 8.98 million mt, representing year-on-year increases of 17.9% and 22.1% respectively.

Despite the improved profitability of the global aviation industry in 2024, with a net profit margin of about 3%, the overall net profitability remains well below the cost of capital. Ongoing supply chain challenges, rising wages for airline personnel, and increasing operational costs (such as longer flight routes due to airspace restrictions and higher aircraft maintenance costs), along with elevated

environmental regulation expenses, particularly costs associated with sustainable aviation fuel ("SAF") and the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), had led to non-fuel costs in the aviation industry to rise by roughly 14% since 2014. All these rising costs and challenges continued to add pressure on the business performance of airlines.

Highlights of Aviation Marketing Activities in 2024

Total sales volume achieved by aviation marketing rose 46.2% to 2.99 million mt in 2024 from 2.05 million mt in 2023. Supply volumes grew significantly across Europe, North America, and Asia, with year-on-year increases of 33%, 28%, and 85% respectively, primarily attributed to increased flights between Asia-Pacific and Europe/America. The CAO Group supplied jet fuel to 36 international airports outside of PRC, four more airports compared to 2023, with the newly added airports mainly located in the Asia-Pacific and Middle East regions.

Additionally, CAO had achieved significant breakthroughs in its SAF businesses in 2024, achieving a 16,500 tonnes reduction in carbon dioxide emissions through its supply of SAF-blended jet fuel to airlines and airports.

Aviation Market Outlook and Business Strategies in 2025

The global aviation industry will continue to face both opportunities and challenges in 2025. Major challenges affecting the global aviation industry include rising operational costs, fragility of supply chains, inadequate infrastructure, and burdensome regulatory requirements and obligations. Despite the challenges ahead, IATA



CAO remains the largest physical jet fuel buyer in the Asia Pacific region and a key supplier of imported jet fuel to the civil aviation industry of the PRC. 中国航油新加坡公司依旧是亚太地区最大的航油实货采购商和中国最重要的航油进口商。

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expects the global aviation industry to achieve continued growth in 2025 due to favourable factors such as passenger load factors exceeding 83% amid falling oil prices, strict cost control measures, and decarbonisation investments. According to IATA's latest forecast the global airline industry is expected to scale newer heights in 2025 with total industry revenues expected to surpass US\$1 trillion for the first time, driven by anticipated increases in passenger traffic and number of flights of 5.2 billion and 40 million respectively.

Despite the significant improvement in airlines' financial performance post-pandemic, geopolitical (such as the continued conflicts in Europe and the Middle East) and economic uncertainties (volatile trade policies by the Trump administration) are expected to be major potential impediments to global aviation industry profitability in 2025. In response, the aviation marketing team will continue to adhere to CAO's business philosophy of "Compliance as a Top Priority, Risk Management of Utmost Importance", closely monitor the financial performances of its airline counterparties to advert potential credit risks, and advance jet fuel supply business with new airlines and airports with prudence. At the same time, the team will actively foster global strategic partnerships with jet fuel suppliers and airlines to expand its supply channels and enhance CAO's capabilities of supplying jet fuel in the Asia-Pacific region.

Moving forward, the aviation marketing team will continue to actively develop its SAF business as a key new business for the Company. Leveraging the business opportunity from EU's 2% SAF blending mandate in 2025, the Company seeks to secure SAF supply resources in both Asia and Europe, and seize opportunities to conduct SAF blending in these regions. The team also aims to gradually establish a comprehensive supply chain system comprising procurement, blending, logistics, and sales. Concurrently, the Company will continue to monitor changes in China's SAF-related policies while exploring SAF import opportunities.

CRUDE AND OTHER OIL PRODUCTS MARKET REVIEW

In 2024, the international oil market experienced a volatile downswing with Brent crude oil prices averaging US\$80.53 per barrel, down 2.4% from 2023.

Despite OPEC+'s continued production cuts, increased oil production from emerging non-OPEC oil producing countries, particularly the United States, Brazil, and Guyana exacerbated the global supply-demand

imbalance. China's economic slowdown also weighted down global oil demand growth. With the Federal Reserve maintaining interest rates to strengthen the US dollar, the spread between the futures and spot markets were further narrowed significantly limiting trading activities and profit margins. In addition, with continued geo-political uncertainty arising from the Russia-Ukraine war entering its third year, the ongoing Israeli-Palestinian conflict and Red Sea shipping crisis, as well as the sudden collapse of the Assad government in Syria at the end of the year, the fragile oil market experienced severe short-term price volatility, which posed substantial challenges to daily trading and hedging activities.

Highlights of Crude and Other Oil Products Trading Activities in 2024

Despite the difficulties and challenges faced, the crude oil team actively enhanced business transformation, established a proprietary crude oil trading model focused on Murban and Oman crude oil, strengthened business fundamentals and enhanced the quality of its crude oil trading business to ensure stable upscaling. The Company continued to expand its market share in the end-user markets for its fuel oil and condensate businesses in addition to increasing sales channels. Having established a comprehensive and integrated trading chain comprising procurement, logistics and sales to end-users, the Company continued to explore new end-user markets and reduce its reliance on Chinese refineries. The Company had also successfully entered the Singapore Straits fuel oil market and expanded the fuel oil physical trading sales channels.

Outlook and Trading Strategies in 2025

The international crude oil market is expected to maintain volatile in 2025 with the supply-demand imbalance persisting, putting pressure on the market. However, several factors could significantly impact the market, such as OPEC+ planned production increases in 2025, and supply disruptions arising from proposed intensification of U.S. sanctions on Russia and Iran. Furthermore, China's economic recovery and the ongoing situation of the Russia-Ukraine war and Middle East conflicts will continue to impact the oil market.

In view of these market challenges, the crude and fuel oil team will focus on the Middle Eastern and Asian markets in 2025, steadily carry out trade activities and continuously improve the Company's profitability under the premise of good risk management.

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INVESTMENTS IN OIL-RELATED ASSETS

Shanghai Pudong International Airport Aviation Fuel Supply Company Ltd (“SPIA”)

Established in 1997, SPIA is the exclusive supplier of jet fuel and into-plane services at Shanghai Pudong International Airport (“Pudong Airport”), one of the busiest airports in the PRC in 2024 in terms of air passenger numbers.

It owns and operates all refuelling facilities at Pudong Airport, including a full suite of hydrant systems, a fleet of dispensers and refuelling trucks, refuelling stations, an airport tank farm, and a 42-km dedicated jet fuel pipeline connecting Pudong Airport to Waigaoqiao terminal with storage facilities of 200,000 m³ in capacity. CAO owns a 33% stake in SPIA, with Shanghai International Airport Co., Ltd owning 40% and Sinopec Shanghai Gaoqiao Petrochemical Co., Ltd owning 27% respectively.

As a major international aviation hub in Asia Pacific, Pudong Airport is one of the best connected airport hubs in China. Pudong Airport had shown remarkable growth in 2024, with a passenger throughput of 76.79 million passengers, an increase of 41.0% year-on-year. SPIA's total sales (refuelling) volume of jet fuel for FY2024 was 4.26 million mt, a year-on-year increase of 30.56%. SPIA is expected to benefit from the increase of international and domestic flights, leading to better business performance for FY2025.

China National Aviation Fuel TSN-PEK Pipeline Transportation Corporation Ltd (“TSN-PEKCL”)

Established in 2008, TSN-PEKCL is a dedicated pipeline company supplying jet fuel to Beijing Capital International Airport (“Beijing Capital Airport”) and Tianjin Binhai International Airport (“Tianjin Binhai Airport”). China National Aviation Fuel Group Logistics Co., Ltd. and CAO hold 51% and 49% stakes in TSN-PEKCL respectively. Its key asset is a 185-km long jet fuel transportation pipeline which links Tianjin Tanggu Nanjiang Port, Tianjin Binhai Airport and Beijing Capital Airport.

In 2024, TSN-PEKCL's total aviation fuel transportation volume increased 20.93% year-on-year to 1.72 million mt.

Shenzhen Zhenghe Petrochemicals Co., Ltd (“Zhenghe”)

Engaged in the business of storage tank leasing and trading of oil products, Zhenghe's key asset is a storage tank farm located in the city of Maoming, Guangdong Province, China, with a total storage capacity of 79,000 m³.

Zhenghe's shareholders include Shengyuan Petrochemicals Co., Ltd and CAO, holding 60% and 40% stakes respectively. In 2024, Zhenghe continued to be affected by the slower-than-expected recovery and recorded minor losses.



TSN-PEKCL is a dedicated pipeline company supplying jet fuel to Beijing Capital International Airport and Tianjin Binhai International Airport. 管输公司是保障北京首都国际机场和天津滨海国际机场飞机供油的专业化管道运输公司。

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Oilhub Korea Yeosu Co., Ltd (“OKYC”)

OKYC, the largest independent storage tank terminal in Yeosu, South Korea, was incorporated under a joint venture agreement with six other companies including Korea National Oil Corporation (“KNOC”), GS Caltex, SK Incheon Petrochem, Samsung C&T, SL Corporation (formerly known as Seoul Line Corporation) and LG International. CAO is the second largest shareholder with 26% equity stake after KNOC, which holds 29% of the total issued shares of OKYC.

Strategically located at the centre of the North-East Asian region with easy access to major oil consuming countries and well-equipped for very large crude carriers (VLCC) loading and discharging at berth up to 17.7 metres, OKYC owns and operates a commercial storage tank terminal with a total capacity of 1.3 million m³, capable of storing crude oil, jet fuel, and other oil products.

Following the recovery of global oil demand in 2024, OKYC saw a strong rise in its business volume and sales price, recording an increase of 80.2% in its annual operating income.

CNAF Hong Kong Refuelling Limited (“CNAF HKR”)

CNAF HKR provides high quality into-plane fuelling services at Hong Kong International Airport (“HKIA”) at Chek Lap Kok. As the third licensed refueller at HKIA, CNAF HKR is well-equipped with a fleet of specialised hydrant dispensers and bowsers which are supported by a refuelling station that comes with an administration building and scheduling office sited in a 3,000 m² compound. Shareholders of CNAF HKR include

CAOHK, Shenzhen Cheng Yuan Aviation Oil Company, China United Petroleum (Holding) Company Limited and Cheer Luck Investment Limited. Upon the completion of capital injection in May 2022, CAO’s shareholding in CNAF HKR through CAOHK increased from 39% to 68%, making CNAF HKR a majority-owned subsidiary of CAOHK. The remaining three shareholders of CNAF HKR currently hold equity stakes of 18.5%, 8.5% and 5% respectively.

HKIA handled a total of 53.1 million passengers and 4.9 million mt of cargo throughout in 2024, a year-on-year increase of 34.3% and 14.0% respectively. CNAF HKR achieved total aviation fuel sales (refuelling) volume of 1.28 million mt in 2024, supporting 35,700 flights. CNAF HKR leveraged on its cost-control initiatives to refine its business operation and gradually achieved a significant cash inflow.

Aircraft Fuel Supply B.V. (“AFS”)

AFS, incorporated in the Netherlands, holds the concession from the Schiphol Airport Authority to manage the storage and distribution infrastructure of jet fuel on behalf of its shareholders to airlines at Amsterdam Airport Schiphol (“Schiphol Airport”). CAO holds 12.5% of AFS’s issued shares while the other shareholders include major airline companies and oil majors.

As one of the most connected airport hubs in Europe and the main international airport of the Netherlands, Schiphol Airport is equipped with the capacity to handle up to 500,000 flights annually. Schiphol Airport’s passenger throughput in 2024 was 66.8 million, a year-on-year increase of 8.27% from 61.7 million in 2023.

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航煤市场回顾

在中国、印度和东南亚强劲的航空旅行需求带动下，2024年亚太航煤需求从2023年的每日252万桶攀升至2024年每日近280万桶，增幅约达每日28.4万桶。2024年中国国内旅客运输量超过7.3亿人次，较2019年增长10.6%，但国际航线的恢复仍然相对滞后，国际客运航班只恢复至疫情前水平的84%。2024年中国航煤需求上扬至约每日97.4万桶，同比增幅近每日15万桶。受休闲和商务旅行的推升，2024年泰国、新加坡等东南亚地区的航煤需求增幅显著，达到约每日5.8万桶。此外，印度航煤的年需求同比增幅也达到了8%。然而，区域内航煤供应相对充裕，2024年亚太航煤供应较2023年增加了每日25.2万桶，达每日317万桶，主要的产量增长来自中国 and 印度。由于供大于求以及去西方的跨区套利窗口大部分都处于关闭状态，导致2024年亚太航煤市场的部分关键指标走低。

2024年新加坡普氏航煤实货离岸均价同比下滑了9.44美元或9%，收报每桶95.13美元；2024年新加坡普氏航煤实货均价的降幅已较2023年收窄。

2024年航油业务工作亮点

红海危机导致运费大幅飙升，例如普氏韩国-日本航线中型油轮运费从2024年初的50万美元上涨到最高100万美元，普氏亚洲-欧洲跨区运费则从500万美元上涨至最高800万美元。面对运费大幅上涨和综合供应成本高企，贸易利润受到严重挤压的不利局面，中国航油新加坡公司航煤组继续发挥领头羊作用，加强了与子公司的联动，锁定有竞争力的亚洲航煤资源，抓住东西方套利窗口打开的有限时机，积极开展亚洲到北美、欧洲的航煤跨区贸易，取得了良好的效益。航煤组还积极扩大在日本的冬季取暖油销售规模，通过对市场机会的精准预判，搭建稳定高效的供应链业务架构，成功在日本取暖煤油市场实现规模化销售，刷新了公司年度取暖煤油销售规模和创效纪录，成为公司新的利润增长点。

2025年航煤市场展望及贸易策略

从航煤供应来看，主要受韩国、日本、中国和印度航煤产出增加的推动，2025年亚太航煤供应预期将达每日337万桶，较2024年每日增长19.5万桶。从航煤需求来看，随着中国进一步向国际开放市场以及更多国际和区域航线加速恢复，预计将推动2025年中国航煤需求攀升至每日105万桶的高位。叠加印度、东南亚等航煤需求上涨驱动，预期亚太航煤需求在2025年将继续平稳上升，达到每日299万桶的水平，较2024年上涨约每日19.2万桶。然而，不确定的宏观经济前景以及地缘政治冲突预期将限制亚太航煤需求增幅，加剧航煤市场的波动性。

2025年，公司将继续通过多种渠道锁定国内外航煤资源，充分发挥现有储罐，船运和运作优势，为保障国内供应做好准备；不断尝试与炼厂及终端市场建立创效共赢和效益

共担的合作模式，深化互信互利的合作关系。同时，随着全球航煤贸易中心的成立，公司将提高运营效率，促进航空业的可持续发展，与各子公司共同开展航煤市场和价格分析，优化匹配资源与物流方案，并且择机开展跨区贸易，最大化公司整体盈利。

航空市场营销回顾

2024年，全球航空业持续稳步复苏，客运量和货运量均有增长。根据国际航空运输协会（以下简称“国际航协”）发布的数据，2024年全球航空客运量（按收入客公里计算）同比增长10.4%。

中国的航空业表现同样出色。2024年，全年中国民航运输生产规模大幅提升，这一增长得益于国内经济的持续复苏、国际客运航线的逐步恢复、航空货运市场表现良好。2024年，中国全行业全年共完成运输总周转量1485.2亿吨公里，同比增长25%。旅客运输量为7.3亿人次，货邮运输量则达898.2万吨，同比分别增长17.9%和22.1%。

尽管全球航空业的盈利能力在2024年有所提升，净利润率约达到3%，但航空业的整体净盈利能力仍远低于资金成本。持续的供应链挑战、航空公司的人员工资上涨和其他运营成本不断增加（例如空域限制导致航线变长、飞机维护成本急剧增加等）和环境监管费用的增加，特别是可持续航空燃料（以下简称“SAF”）和CORSIA等费用，导致航空业非燃油成本自2014年以来上涨了约14%，拖累航司业绩持续承压。

2024年航空市场营销工作亮点

2024年航空市场营销累计销售量达到299.3万吨，比2023年的204.7万吨上升了46.2%。其中欧洲，北美和亚洲的供应都有明显上升，同比分别增长33%，28%和85%，这主要得益于亚太和欧美之间的航班数量增加。供应机场数量由32个机场增加到36个机场，新增的4个机场主要集中在亚太和中东地区。

公司也于2024年在可持续航空燃料方面取得了重大突破。2024年通过向航空公司和机场供应SAF混兑航煤，实现16,500吨二氧化碳减排量。

2025航空市场展望和业务计划

全球航空业在2025年仍将面临机遇与挑战并存的局面。影响全球航空业的主要负面因素包括运营成本持续上升、供应链脆弱、基础设施不足、繁重的监管等；但得益于低油价、超过83%以上的高载客率、严格的成本控制和脱碳投资等利好因素的驱动，国际航协预期2025年全球航空业有望持续增长。国际航协预测，2025年的客运量和航班数量预计将分别达到52亿人次和4,000万架次，推动全球航空业的收入有望在2025年首次突破一万亿大关，创下历史新高。

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CAO will actively foster global strategic partnerships with jet fuel suppliers and airlines to further expand its supply channels.
公司会积极与航油供应商和航空公司开展全球战略合作，进一步拓展其供应渠道。

尽管航空公司的财务业绩在疫情后显著改善，但地缘政治性（例如欧洲和中东潜在的冲突蔓延）和经济前景的不确定性（特朗普政府或将带来的贸易政策变化）预期将成为拖累2025年全球航空业盈利表现的主要潜在风险。为此，航空市场营销团队将继续秉持合格第一，风控至上的原则，在2025年继续严密关注航空公司交易对家的潜在盈亏状况，审慎推进对新航空公司和新机场的供应业务；与此同时，积极与航油供应商和航空公司开展全球战略合作，拓展供应渠道，提高公司在亚太区域内的航油供应能力。

作为公司2025年重点发展的新业务，航空市场营销组将继续积极推进SAF业务的发展，借助2025年欧盟强制添加2% SAF政策的优势，锁定亚洲和欧洲两地的SAF实货资源，伺机在这两地开展SAF混兑业务，逐步建立集采购、混兑、运输和销售一体化的完整供应链，同时继续关注中国国内SAF相关政策的变化，探索SAF进口机会。

原油和其他油品贸易市场回顾

2024年国际石油市场震荡下行，布伦特石油价格全年平均价格为每桶80.53美元，较2023下跌2.4%。

尽管OPEC+不断延长自愿减产措施，但由于以美国、巴西、圭亚那等为代表的新兴产油国产量增长迅速，导致全球原油供需进一步失衡。中国经济增长放缓也对石油需求造成负面影响。美联储维持“高利率、强美元”策略，加剧了期现货市场脱节的矛盾，极大限制了交易活动和盈利水平。

此外，俄乌战争延续至第三个年头、以哈伊冲突规模烈度加剧，叠加红海航运危机持续、年底叙利亚阿萨德政府轰然崩塌，让本就脆弱的市场神经高度紧张，油价在短期内受地缘政治溢价影响产生剧烈波动，给日常工作、保值工作的顺利开展带来了巨大挑战。

2024年原油和其他油品贸易工作亮点

面临市场不确定性所带来的困难和挑战，原油组积极推动业务转型，构建以穆尔班及阿曼原油为基础的原油自营业务架构，夯实业务基础、提升业务内涵，确保原油业务稳定发展。燃料油和凝析油业务不断拓展终端需求市场，增加销售渠道。在已建立的集采购运输和终端销售为一体的完整贸易链基础上，不断开拓新的终端需求市场，减少对中国炼厂的依赖，成功开拓新加坡海峡市场，丰富了燃料油实货销售渠道。

2025年市场展望和贸易策略

2025年国际原油市场预期将维持震荡走势。供需失衡局面持续，市场承压；但OPEC+是否将按计划增产、美国大幅收紧对俄对伊制裁措施是否会导致供应中断，均对市场构成重大影响。此外，中国经济恢复情况，及俄乌、中东冲突的发展走势也将对原油市场造成影响。

在此基础上，2025年原油和燃料油业务将立足中东市场，在做好风险管控的基础上，稳步开展贸易活动，不断提升盈利水平。

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油品相关实业投资

上海浦东国际机场航空油料有限责任公司 (简称“浦东航油”)

浦东航油成立于1997年，是上海浦东国际机场（简称“浦东机场”）的唯一航油供应商和加注服务商；就2024年航空客运量而言，浦东机场是中国最繁忙机场之一。

浦东航油拥有并经营浦东机场所需全部飞机加油设施，包括一整套机坪管网、管线和罐式加油车队、航空加油站、机场内油库，并设有库容量达20万立方米的储罐设施及连接浦东机场与外高桥码头的42公里专用航油管线。中国航油新加坡公司拥有浦东航油33%的股份，其余由上海国际机场股份有限公司持股40%，中国石化上海高桥石油化工有限公司持股27%。

作为亚太主要的国际航空枢纽，浦东机场是中国枢纽机场中最佳的机场之一。2024年，浦东机场经营业绩稳步增长，旅客吞吐量为7,679万人次，较2023年同比增长41.0%。浦东航油2024财年航油总销售（加注）量为425.95万吨，较2023年同比增加30.56%。

得益于国际国内航班需求的增长，浦东航油2025财年的业务量预计也将稳步上升。

中国航油集团津京管道运输有限责任公司 (简称“管输公司”)

管输公司成立于2008年，是保障北京首都国际机场（简称“首都机场”）和天津滨海国际机场（简称“天津机场”）飞机供油的专业化管道运输公司。中国航油集团物流有限公司和中国航油新加坡公司为管输公司两大股东，分别持股51%和49%。其主要资产为一条全长185公里，连接天津塘沽南疆码头、天津滨海机场及首都机场的航油运输管道。

2024年，管输公司的总航油运输量为172万吨，同比增加20.93%。

深圳正和石化有限公司(简称“正和石化”)

正和石化主要经营储库租赁和油品贸易业务，其主要资产为位于中国广东省茂名市总库容为7.9万立方米的油库罐区。

正和石化的股东包括盛源石化有限公司和中国航油新加坡公司，分别持股60%和40%。2024年，正和石化持续受到行业恢复不及预期的影响，出现小额亏损。

韩国丽水枢纽油库有限公司(简称“OKYC”)

OKYC是韩国丽水最大的独立仓储设施，由中国航油新加坡公司与韩国国家石油公司、加德士、SK仁川石化、三星物产、SL Corporation（原名为Seoul Line Corporation）和LG国际合资成立。中国航油新加坡公司是OKYC的第二大股东，持股26%，仅次于持股29%的韩国国家石油公司。

OKYC位于东北亚中心地带的战略要冲，便于油品运往主要石油消费国，并配备接纳超大型油轮（VLCC）的装卸设施，吃水最深达17.7米。OKYC也拥有总库容达130万立方米的商业储罐，可储存原油、航油及其它油品。

2024年，随着全球石油需求回暖，OKYC的业务量和销售价格也大幅增长，全年营业收入上涨80.2%。

中国航油香港供油有限公司(简称“香港供油公司”)

香港供油公司专为香港赤腊角国际机场（简称“香港国际机场”）提供高质量的航油加注服务。作为香港国际机场第三家获得加注牌照的航油加注服务商，香港供油公司配有专业的管线加油车和罐式加油车，并设有占地3,000平方米的加注站、行政楼和调度室。其股东包括香港公司、深圳承远航空油料有限公司、中国联合石油集团有限公司和展裕投资有限公司。

2022年5月，中国航油新加坡公司通过香港公司对香港供油公司进行增资扩股，将持股比例从39%增加至68%，使得香港供油公司成为香港公司的控股子公司；其余三家公司分别持有香港供油公司全部已发行股票的18.5%、8.5%和5%。

2024年，香港国际机场全年客运量为5,310万人次，同比增长了34.3%；总货运量为490万吨，同比增长14.0%。香港供油公司2024财年航油总销售（加注）量为128万吨，为3.57万架次航班提供加注服务。供油公司持续改善自身的业务能力并在经营上逐步提高现金流入，取得了控亏减亏阶段性的成果。

阿姆斯特丹机场航油供应公司(简称“AFS”)

AFS为荷兰注册公司，持有史基浦机场管理局发出的特许经营权，代表其股东在阿姆斯特丹史基浦机场为航空公司提供航油供应服务。公司持有AFS所发行普通股的12.5%，其他股东包括大型航空公司和石油巨头。

作为荷兰主要的国际机场，史基浦机场是欧洲连通性最好的枢纽机场之一，其年均通行航班能力达50万架次。2024年，荷兰史基浦机场旅客吞吐量6,680万人次，较2023年6,170万人次同比增长8.27%。

CEO'S STRATEGIC REPORT – INVESTOR RELATIONS 首席执行官战略报告——投资者关系

Dedicated to our mission of delivering long-term value for shareholders and in line with our commitment towards upholding high standards of corporate governance and transparency, CAO places strategic importance on Investor Relations and engages in active and open communication with our shareholders and the investment community. To ensure a sustained and prompt flow of communication about the CAO Group's business development, performance and major matters, CAO organised two investor group meetings between its senior management and the investors, as well as conducted over 120 meetings with analysts, fund managers and investors from Singapore, Hong Kong, Malaysia and Thailand during the year to discuss CAO's key growth factors, recovery trends in Chinese and International aviation travel, strategic direction of CAO and trends that may serve as future performance catalysts such as sustainable aviation fuel and Chinese stimulus measures.

On the last trading day of the year, CAO's share price closed at S\$0.92 per share (2023: S\$0.88), with a market capitalisation of S\$796 million. Both CAO's closing share price and market capitalisation went up 4.5% year-over-year. CAO continued to remain as a constituent in major

benchmark indices including FTSE ST China, FTSE ST Small Cap, FTSE Singapore Shariah Index and MSCI Singapore Small Cap Indexes.

CAO remains committed to upholding a consistent dividend payout ratio based on 30% of the CAO Group's annual consolidated net profit attributable to shareholders. At the forthcoming Annual General Meeting, the Board of Directors will propose a one-tier, tax-exempt first and final ordinary dividend of 3.72 Singapore cents per share.

GLOBAL BASE OF INTERNATIONAL SHAREHOLDERS

As at 31 December 2024, China National Aviation Fuel Group Limited remains the largest shareholder holding 51.31% of the total issued shares of CAO (excluding treasury shares). BP Investments Asia Limited, a subsidiary of oil major BP Plc, is the second largest shareholder holding 20.17% of total issued shares of CAO (excluding treasury shares). Total number of treasury shares held by CAO remains unchanged at 6,000,000 for the financial year 2024. The number of registered shareholders was 11,943 in 2024. An analysis of the shareholding structure carried out as at 31 December 2024 showed



CAO Management presented a comprehensive review of the Company's performance and operations over the past year at the Company's 2024 AGM. 管理层在公司2024年股东大会上,就公司过去一年的业绩表现和运营状况进行了全面回顾。

CEO'S STRATEGIC REPORT – INVESTOR RELATIONS 首席执行官战略报告——投资者关系



that institutional holdings accounted for over 12.8% of the total issued shares, with the share of institutional investors predominantly from Australia, Europe, Malaysia, Singapore, the United Kingdom and the United States.

PROACTIVE & OPEN COMMUNICATION WITH THE INVESTMENT COMMUNITY

CAO is committed to maintaining transparent and open channels of communication with investors. Through timely and accurate disclosures on the CAO Group’s latest developments, CAO has garnered the recognition of the investment community and is aptly covered by sell-side analysts from various brokerages who regularly publish research and industry reports relating to CAO’s financial performance and latest developments. In FY2024, CAO continued to enhance market awareness and boost analyst coverage of its shares. Lim & Tan Securities initiated coverage on the Company during the year and together with other coverage analysts published a total of 17 in-depth analyst reports on CAO’s investment merits over the course of the year. Internally, CAO further conducts an annual benchmarking exercise targeted to enhance operational excellence and further align the CAO group with best practices as well as to consider innovative business models within the capital market and among industry peers.

Alongside our interactions with both retail and institutional investors, we also monitor media reports closely as part of our efforts to continually improve corporate disclosure and investor relations practices. In 2024, CAO was featured in over 63 media articles, sustaining the CAO Group’s

share of voice and active presence in Singapore as well as internationally. Meanwhile, the CAO Group continued to maintain a robust, mobile-compatible corporate website to provide useful information to investors in a timely manner.

CAO continuously seeks opportunities to strengthen its market recognition and standing in the business community, making tireless efforts to explore new avenues to communicate our strategic developments and advantages with capital market entities, industry regulators and institutional investors to enhance investor confidence. Reflecting the market recognition for CAO’s continued efforts in corporate governance and transparency, we further strengthened the Company’s brand recognition and reputation in the capital market concurrently winning the following awards:

- “Best Risk Management Award (Gold)” at the Singapore Corporate Awards
- “Most Transparent Company” (Energy Category) at the Securities Investors Association (Singapore) (“SIAS”) Investors’ Choice Awards, marking CAO’s 11th cumulative win.
- “Corporate Sustainability – Green Innovation” award from the Asia Corporate Excellence & Sustainability (“ACES”) awards

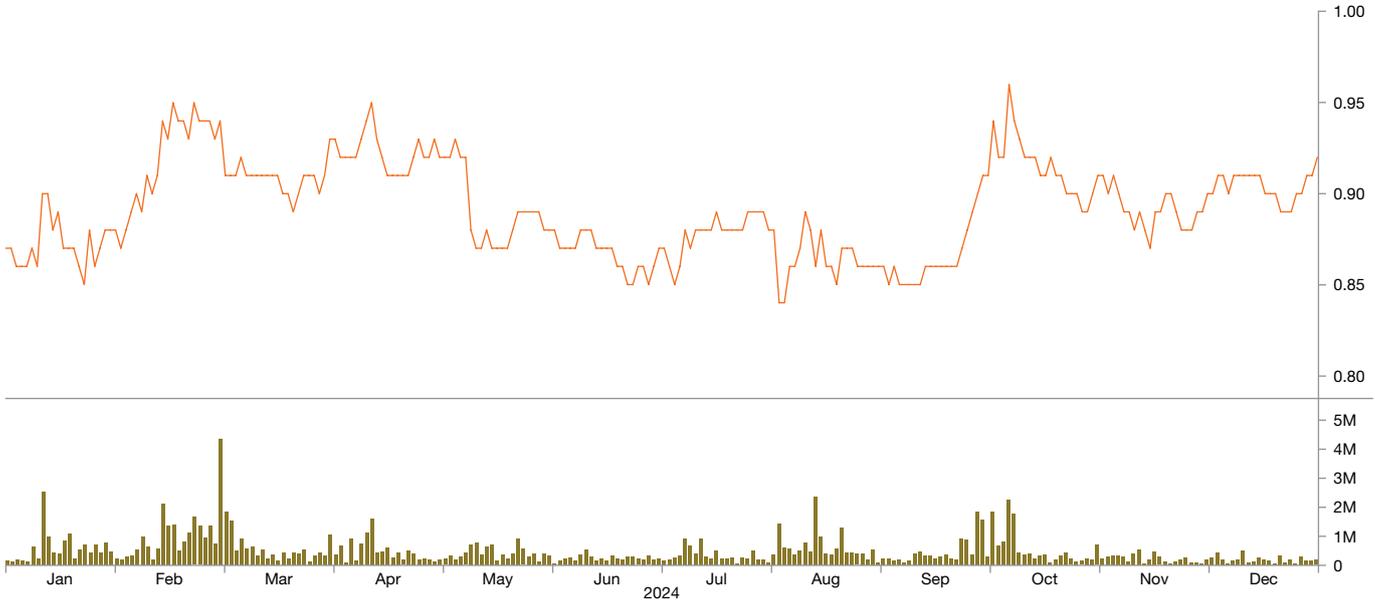
CAO remains committed to delivering long-term value for shareholders, ensuring effective investor relations, and upholding the core principles of the Code of Corporate Governance and maintaining best practices in corporate governance.

CEO'S STRATEGIC REPORT – INVESTOR RELATIONS

首席执行官战略报告——投资者关系

2024 CAO SHARE PRICE MOVEMENT & TRADING VOLUME

2024年中国航油新加坡公司股价走势与交易量



SHARE PRICE INFORMATION

股价信息

Share Price (S\$) 股价 (新元)	2020	2021	2022	2023	2024
As at last trading day of the year 截至当年的最后一个交易日	1.06	0.94	0.89	0.88	0.92
Highest 最高价	1.32	1.20	0.96	1.10	0.96
Lowest 最低价	0.72	0.91	0.64	0.73	0.84
Average 平均	1.02	1.05	0.85	0.92	0.89

Source: Bloomberg
资料来源:彭博社

CORPORATE CALENDAR

公司事务时间表

2025	
Announcement of 2H2024 and 2024 full-year financial results 2024财年下半年和全年业绩公告	27 February 2025 2025年2月27日
31 st Annual General Meeting 第31次公司常年股东大会	24 April 2025 2025年4月24日
Proposed First and Final Dividend for FY2024 2024财年首次及年终股息	
Record Date 登记日	13 May 2025 2025年5月13日
Payment date 付款日	27 May 2025 2025年5月27日
Announcement of 1H2025 results 2025财年上半年业绩公告	August 2025 2025年8月
2026	
Announcement of 2H2025 and 2025 full-year financial results 2025财年下半年和全年业绩公告	February 2026 2026年2月

CEO'S STRATEGIC REPORT – INVESTOR RELATIONS 首席执行官战略报告——投资者关系

秉持“为股东创长期价值”的使命，中国航油新加坡公司一向致力于维持高标准的公司治理和透明度，并将投资者关系作为公司的战略优先事项，坚持与股东及投资界保持积极和开放式的沟通。为了能更及时且持久地向他们通报有关公司及子公司的业务发展情况、业绩表现和重大事项，公司分别组织了两次投资者与管理层的交流会。与此同时，公司也在同年与来自新加坡、香港、马来西亚和泰国的分析师、基金经理和投资者进行了逾120次会面，主要分享了公司业绩增长的催动因素、中国和国际民航复苏的行业利好、公司未来的战略发展重点和可观前景等，以及彼此交流了未来行业增长因素、可持续能源发展和中国的刺激政策。

在2024年的最后一个交易日，公司股价闭市报0.92新元（2023年为0.88新元），市值为7.96亿新元，收市价和市值同比上涨4.5%。公司依然是富时海峡时报中国指数、富时海峡时报小盘股指数、富时海峡时报新加坡伊斯兰合规指数和摩根士丹利资本国际新加坡小盘股指数的成分股。

为兑现为股东创造价值的承诺，公司每年坚持将归属股东的合并净利润的30%作为股息分配给股东。在即将召开的常年股东大会上，董事会将提请股东批准派发每股3.72新分的单层免税年终普通股息。

全球股东持股情况

截至2024年12月31日，中国航空油料集团有限公司仍是公司的最大股东，持有全部发行股票的51.31%（不包括库存股）。石油巨头BP旗下子公司BP投资亚洲有限公司是公司的第二大股东，持有全部发行股票的20.17%（不包括库存股）。公司共持有600万股库存股，此数目在2024年保持不变。注册股东数量为1.1943万人。截止2024年12月31日的股权结构分析显示，机构持股占全部已发行股票的12.8%以上，而机构投资者主要来自澳大利亚、欧洲、马来西亚、新加坡、英国以及美国。

与投资界保持积极、开放式沟通

公司致力于与投资界保持透明、开放式沟通，通过及时且准确地通报有关公司及子公司的最新发展情况，已经得到投资界的认可，使各券商卖方分析师密切关注公司，并定期在对外发布的研究报告和行业报告中对公司业绩进行相关报道。2024财年，中国航油新加坡公司进一步提升市场对公司的认知，同时增加了分析师对公司股票的报道。林及陈证券行于同年启动对公司股票的跟踪报道，截至2024年12月，该证券行以及其券商分析师共发布了17份关于投资公司股票的深度分析报告。此外，为了保持公司的内生竞争优势，公司也在每年度开展对标工作，及时吸收其他优秀公司的资本市场实践和业务模式创新经验。



CAO maintains active and open communication with institutional investors and analysts through regular result briefings.
公司借助定期举办的业绩介绍会与机构投资者和分析师保持积极、开放式沟通。

除了与散户和机构投资者进行互动之外，公司还密切关注媒体报道，不断改进信息披露的质量和投资者关系实践。2024年，媒体刊登了逾63篇有关中国航油新加坡公司的报道，有效地支撑公司在新加坡和国际平台上的发声和活跃度。与此同时，公司将继续强化官网与移动设备的兼容性以及及时向投资者及时提供有用信息。

公司一直以来不断寻求加强市场认知和行业地位的机会，探索与资本市场、行业监管机构和机构投资者的新沟通渠道，以向资本市场沟通有关公司的战略发展情况和竞争优势，增强投资者对公司的信心。公司凭借其在公司治理及透明度方面的不懈努力，屡获多个资本市场重要奖项，进一步加强了公司在资本市场的品牌认知和美誉。公司在2024财年共获得以下奖项：

- 新加坡企业大奖颁发的“最佳风险管理（金奖）”
- 新加坡证券投资者协会颁发的年度投资者选择奖“最透明公司奖（能源组）”（自上市以来已经获得11次）
- 亚洲卓越企业暨永续发展奖颁发的“企业可持续发展—绿色创新奖”

展望未来，我们对为股东创造长期价值的承诺依然坚定，我们对投资者关系的重视依然如初，我们对《公司治理准则》和最佳治理实践的坚守依然如故。

SENIOR MANAGEMENT

高级管理层

Left to right

Lin Yi

Zou Yaoping

Shi Yanliang

左至右

林奕

邹耀平

史延亮



SHI YANLIANG

Executive Chairman

Mr Shi Yanliang is responsible for charting the overall corporate strategy, planning and development of the CAO Group. He also provides guidance and support to the senior management, ensuring that the Company's operational objectives and sustainability goals are being met.

As the Chairman of the Board of Directors of the Company, Mr Shi presides over meetings of the Board of Directors as well as annual general meetings of the Company, and oversees the implementation of Board resolutions. He also acts as a liaison between the Company's management

and members of the Board of Directors, upholding effective corporate governance, fostering collaboration and constructive dialogues, and ensuring the smooth functioning of the Board and its Board Committees.

With almost three decades of experience in the petroleum industry, Mr Shi is a respected senior corporate leader and has held various leadership positions at various PRC state-owned enterprises. Prior to this appointment, Mr Shi's principal appointment was as Chairman of China National Aviation Petrochemicals Pipeline Co. Ltd.

Please refer to the profile of Mr Shi under "Board of Directors" section for more information.

SENIOR MANAGEMENT

高级管理层

LIN YI

Chief Executive Officer/Executive Director

As the Chief Executive Officer/Executive Director of the Company, Mr Lin Yi has overall responsibility for the management of the businesses of the CAO Group. His key responsibilities include providing leadership for all aspects of the CAO Group's business operations and implementing the business strategies of the CAO Group to achieve operating targets and business growth.

Prior to his appointment as Chief Executive Officer/Executive Director of the Company, Mr Lin was the General Manager of China National Aviation Fuel South China Bluesky Corporation Ltd, a position he held since November 2018.

He is also the Chairman of North American Fuel Corporation, China Aviation Oil (Hong Kong) Company Limited and China Aviation Fuel (Europe) Limited, overseeing the CAO Group's day-to-day business operations in USA, Hong Kong SAR and Europe respectively.

Please refer to the profile of Mr Lin Yi under "Board of Directors" section for more information.

ZOU YAOPING

Chief Financial Officer/Vice President

As the Chief Financial Officer/Vice President of the Company, Mr Zou Yaoping is responsible for the Company's financial management functions and oversees the CAO Group's financial reporting and accounting practices, financial planning and analysis, treasury, and tax-related matters. Besides overseeing the Finance Department, Mr Zou also has oversight responsibility over the Operations Department and other management functions.

Mr Zou joined the Company in September 2021 as Vice President and was appointed as the Chief Financial Officer of the Company in September 2022. Prior to joining the Company, Mr Zou was the Deputy General Manager-Finance of China National Aviation Fuel Group Limited ("CNAF") from May 2017 to August 2021. He joined CNAF in 2005 and had held various senior management roles with a portfolio spanning finance management, financial investment, and hedging management in the Finance Department of CNAF as well as China National Aviation Fuel Finance Co., Ltd.

Mr Zou graduated from Central South University, China, with a Bachelor's degree in Economics (majoring in International Finance) as well as a Master of Business Administration. He is also a certified Senior Economist.

史延亮

执行董事长

史延亮先生全面负责公司及子公司的整体战略、规划和发展。与此同时，他也负责指导和协助高级管理层，确保公司有条不紊地实现其经营和可持续发展目标。

史先生作为公司董事长，也负责召集和主持董事会及股东大会，并监督董事会决议的贯彻落实。他也架起公司管理层与董事会成员之间的桥梁，保持高标准的公司治理实践，培育具建设性的合作和讨论氛围，并确保董事会及各董事专业委员会的有效运作。

史先生在石油业拥有近30年的工作经验，曾在多家国有企业担任高管岗位，是一位经验丰富的资深企业领导。他在担任中国航油新加坡执行董事长之前，主要出任中航油石化管道有限公司董事长。

关于史先生更详细的介绍，请参阅“董事会”部分。

林奕

首席执行官兼执行董事

作为公司的首席执行官兼执行董事，林奕先生负责领导和监督公司及子公司的所有运营活动。他的主要职责包括制定有助于推动实施公司及子公司业绩持续增长的战略，致力于实现公司及子公司的营运目标。

林先生在担任公司首席执行官兼执行董事之前，于2018年11月出任华南蓝天航空油料有限公司总经理职务。

他也同时担任北美航油有限公司、中国航油(香港)有限公司及中国航油(欧洲)有限公司董事长，负责监管公司及子公司在美国、香港特别行政区以及欧洲的日常工作运作。

关于林先生更详细的介绍，请参阅“董事会”部分。

邹耀平

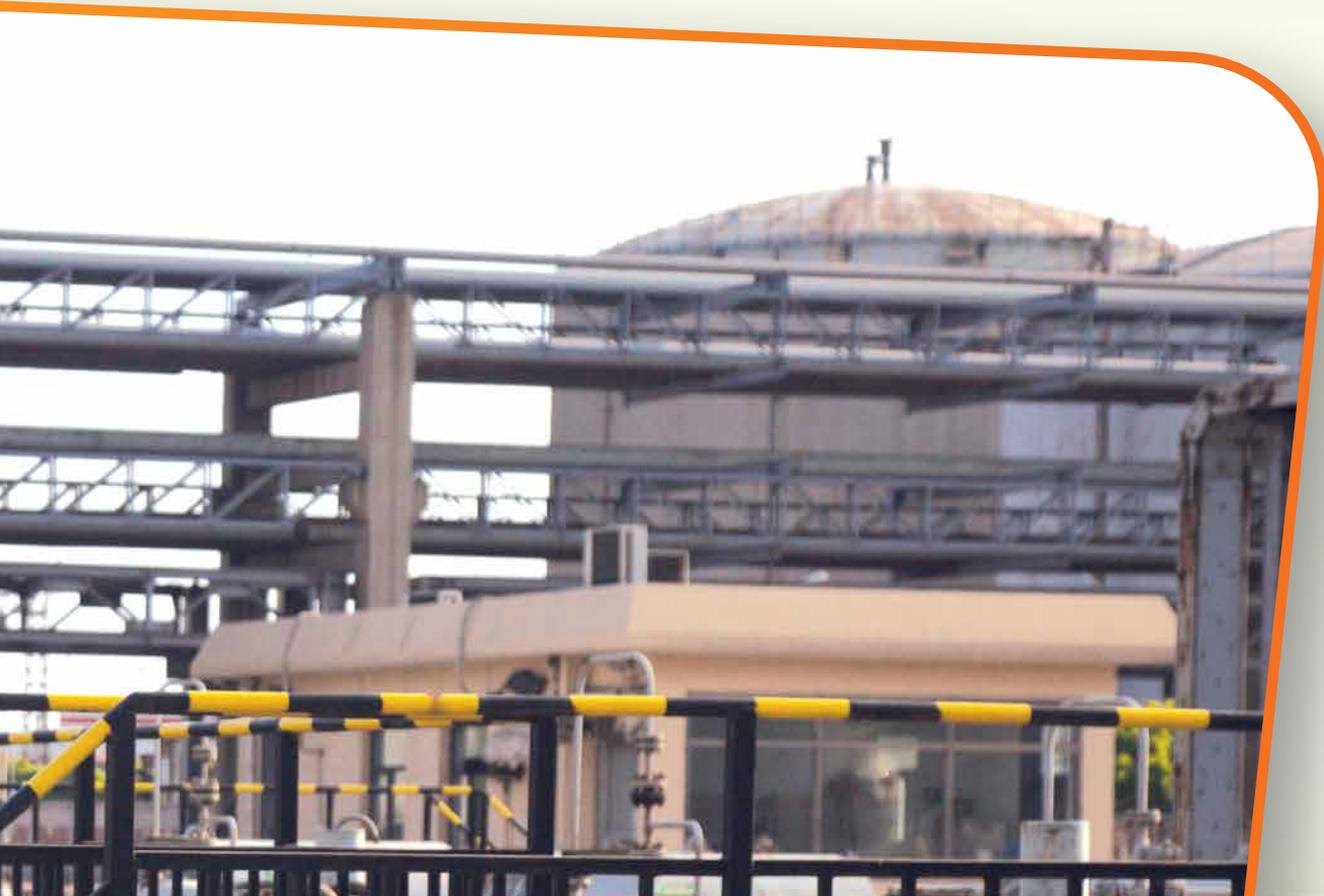
财务总监兼副总裁

作为公司的财务总监兼副总裁，邹耀平先生履行财务管理职责，负责监管公司及子公司的财务报告、会计核算、财务规划与分析、资金运作和税务管理。除了分管公司财务部，邹先生还负责监管运作部等工作。

邹先生于2021年9月加入公司，担任副总裁，并于2022年9月担任公司财务总监。在加入公司以前，他曾于2017年5月至2021年8月，任中国航空油料集团有限公司财务金融部副总经理。邹先生自2005年加入中国航空油料集团有限公司以来，主要从事财务管理、金融投资和套期保值业务管理等工作，曾在中国航空油料集团有限公司财务部及中国航油集团财务有限公司担任多个高级管理岗位。

邹先生毕业于中南大学，拥有工商管理硕士学位和经济学学士学位(主修国际金融)，是一名高级经济师。





STEADFAST IN EMBRACING TRANSFORMATION

As the winds of change continue to blow across the business landscape, we will maintain a high level of market adaptability to navigate uncertainties while embracing digital and business transformation to enhance our capabilities and readiness to capture new growth opportunities.



2024 SUSTAINABILITY REPORT HIGHLIGHTS

2024年可持续发展报告概要

In 2024, the aviation fuel market experienced significant growth, driven by renewed air travel demand and a global economic recovery. A key development was the increasing focus on Sustainable Aviation Fuel (“SAF”), as governments worldwide introduced mandatory usage requirements, signalling a clear shift towards environmentally responsible aviation. These priorities were further underscored at COP29, where discussions centred on the aviation sector’s transition to clean energy, emphasising the need for collaboration and financial investment to scale up sustainable fuel production and adoption.

Recognising these industry shifts, CAO has released its eighth Sustainability Report, reaffirming our commitment to transparency in ESG performance and achievements. The report was prepared with reference to the IFRS

Sustainability Disclosure Standards issued by the International Sustainability Standards Board (“ISSB”), the Universal Standards of Global Reporting Initiative (“GRI”) standards 2021, and Sustainability Accounting Standards Board (“SASB”) standards for Oil and Gas—Midstream (volume 12), offering stakeholders a comprehensive view of the Company’s sustainability initiatives and their relevance to the operations.

CAO actively engages with internal and external stakeholders to identify key concerns and regularly refines the material topics to ensure relevance. In 2024, we strengthened our approach by expanding our materiality assessment to incorporate financial impact evaluation. Guided by GRI 2021 and SGX Practice Note 7.6, we adopted a structured four-phase approach as follows:



STEP 1: IDENTIFY

We conducted desk research and benchmarking to identify our economic, environmental, and social impact, with reference to peer disclosures, ISSB S2, GRI 2021, SGX-ST’s 27 core metrics, SASB’s oil and gas standards and insights from S&P Global, MSCI, and Refinitiv. A total of 21 topics were identified as the key outcomes of this step.



STEP 3: PRIORITISE

Leveraging our Enterprise Risk Management (“ERM”) framework, we assessed risks and impacts for each topic to help stakeholders prioritise key issues. We conducted internal surveys to evaluate and prioritise the 10 ESG topics based on their impact and financial materiality, with the latter aligned to ISSB requirement. These survey results informed the development of a preliminary materiality matrix.



STEP 2: RATE

We grouped topics with similar definitions across sources and assessed their recurrence, refining the list to 10 prioritised topics.

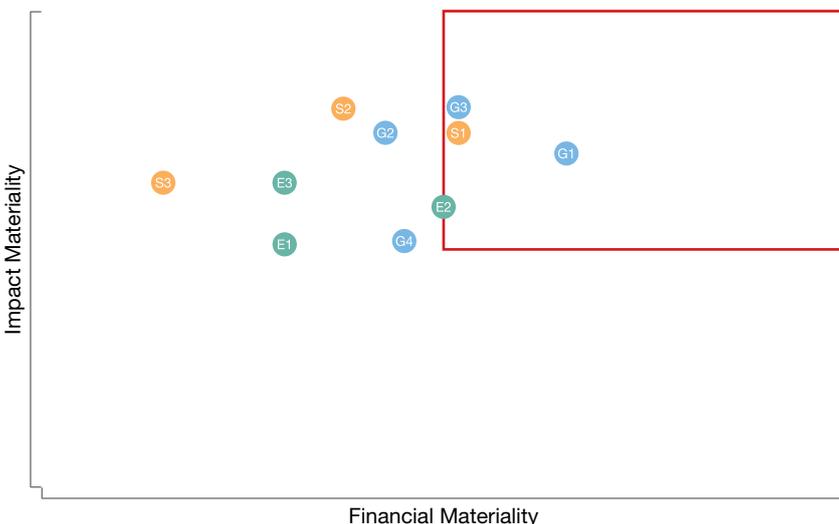


STEP 4: VALIDATE

The preliminary materiality matrix was refined by management, reviewed by the Sustainability Committee, and approved by the Board.

The materiality matrix for the reporting period has been updated based on stakeholder engagement insights. The 10 material topics identified and shortlisted in FY2023 remain relevant and unchanged, with four classified as the most critical to CAO.

Materiality Matrix



Material Topics	ID
Climate Change Strategy	E1
Low Carbon Transition and Carbon Neutrality	E2
Biodiversity and Ecological Impact	E3
Diversity and Equal Opportunities	S1
Health and Safety	S2
Community Investment and Development	S3
Corporate Governance	G1
Asset Integrity and Critical Incident Management	G2
Cyber Security and Data Privacy	G3
Sustainable Supply Chain	G4

2024 SUSTAINABILITY REPORT HIGHLIGHTS

2024年可持续发展报告概要

Guided by our sustainability framework and roadmap, we remain committed to driving progress across four interconnected pillars: Valuing Nature, Empowering Well-being, Fostering Collaborative Innovation, and Governing with Excellence. To strengthen our sustainability practices under these pillars, we have set clear targets, implemented key initiatives, and consistently monitored and disclosed progress on the 10 material topics.

VALUING NATURE

Building on our FY2023 efforts, CAO conducted financial climate risk assessments under two scenarios, aligning with ISSB requirements. We further integrated climate considerations into our corporate risk management framework, and identified assets vulnerable to physical climate risks to support data-driven risk mitigation and adaptation planning and enhance our resilience against climate-related challenges.

Aligned with our 2050 net-zero target, we achieved significant emissions reductions this year through operational optimisations and the procurement of Renewable Energy Certificates ("RECs"). Additionally, we advanced our transition to lower-emission fuels by replacing diesel with Hydrotreated Vegetable Oil ("HVO") for our refuelling vehicles. To support industrial decarbonisation efforts, we actively expanded our blended SAF supply and engaged in carbon credit trading.

CAO remains committed to environmental stewardship by ensuring compliance with local environmental laws and regulations while contributing to biodiversity conservation. In partnership with the National Parks Board, we joined the OneMillionTrees movement under the Singapore Green Plan 2030 and participated in a mangrove-planting initiative on Pulau Ubin.

EMPOWERING WELL-BEING

CAO upholds a people-centric approach, fostering a fair, inclusive, and safe work environment. We remain committed to equal opportunity and have integrated diversity considerations into our recruitment practices. To enhance employee well-being and development, we introduced flexible work arrangements, structured career development programmes, and comprehensive health benefits.

Beyond our workforce, we invest in community support initiatives, focusing on underprivileged groups. This included engaging elderly residents at Kwong Wai Shiu Hospital and supporting disadvantaged children through targeted outreach programmes.

FOSTERING COLLABORATIVE INNOVATION

Our advancements in SAF initiatives were a key highlight this year. We successfully expanded our SAF supply business and renewed our International Sustainability & Carbon Certificate ("ISCC") Carbon Offsetting and Reduction Scheme for International Aviation ("CORSA") and ISCC EU certifications with an extended scope, strengthening the foundation for our sustainable fuel operations. Additionally, we reinforced supply chain management by updating our Know Your Customer ("KYC") form to incorporate ESG criteria, reinforcing our commitment to responsible and sustainable procurement. Further demonstrating our commitment, we established new partnerships with SAF suppliers, expanding our sustainable supply network and strengthening our market presence.

GOVERNING WITH EXCELLENCE

CAO prioritises strong governance to ensure effective oversight of our sustainability strategies. We conducted an annual self-evaluation to ensure the effectiveness of the Board and its Committees in addressing sustainability-related risks and opportunities with excellence and foresight. Additionally, we undertook a comprehensive review of internal governance policies and Standard Operating Procedures ("SOPs"), enhancing operational efficiency and regulatory compliance.

To further strengthen our cybersecurity and data privacy management, we oversaw the implementation of the Zero Trust Cybersecurity Framework¹ and enhanced data privacy management systems. We also reinforced asset integrity management through stringent due diligence in vessel selection, updated asset integrity and emergency management policies, and regular drills.

For details of CAO's sustainability development, please refer to the CAO FY2024 Sustainability Report.

¹ The Zero Trust framework is widely regarded as a key security model and a commonly referenced standard in modern cybersecurity.

2024 SUSTAINABILITY REPORT HIGHLIGHTS

2024年可持续发展报告概要

2024年,随着航空旅行需求的复苏以及全球经济的逐步回暖,航空燃料市场迎来了显著增长。与此同时,可持续航空燃料(以下简称“SAF”)越发受到重视,各国政府也纷纷出台SAF强制令,标志着航空行业向低碳转型的明确趋势。第29届联合国气候变化大会(“COP29”)进一步强调了上述趋势,不但重点讨论了航空业向清洁能源转型,也明确了借助多方合作和投资来推动可持续燃料生产和应用的必要。

在这样的行业背景下,中国航油新加坡公司发布了第八份可持续发展报告,回应公司对披露环境、社会和治理(以下简称“ESG”)绩效和进展透明度的承诺。报告参照国际可

持续发展准则理事会(“ISSB”)发布的国际财务报告准则可持续披露标准、2021年全球报告倡议通用准则(“GRI”)标准和可持续发展会计准则委员会(“SASB”)石油和天然气中游标准(第12卷)编制,为利益相关方全面展示了公司可持续发展举措及其与运营的相关性。

公司积极与内外部利益相关方沟通,了解各方重点关注的问题,并定期审阅重要议题以确保其相关性。2024财年,公司进一步扩大了重要性评估范围,从财务角度对影响进行了全面评估。根据GRI 2021标准以及新交所实践指引7.6的要求,公司采用了四阶段方法来评估重要议题:



步骤1: 识别

公司开展案头研究和对标分析以确定我们对经济、环境和社会的影响,参考了同行披露、ISSB S2、GRI 2021标准、新加坡交易所有限公司的27项核心指标、SASB石油和天然气标准,并借鉴S&P Global、MSCI和Refinitiv的见解,共识别了21个关键议题。



步骤2: 组合及评级

公司将相似议题分组,评估其出现频率,最终筛选出10个优先议题。



步骤3: 优先级排序

借助企业风险管理(“ERM”)框架,公司识别了每个议题的风险和影响,以支持利益相关方依据ESG影响和财务重要性(符合ISSB要求)对议题进行排序,从而形成初步的重要性议题矩阵。

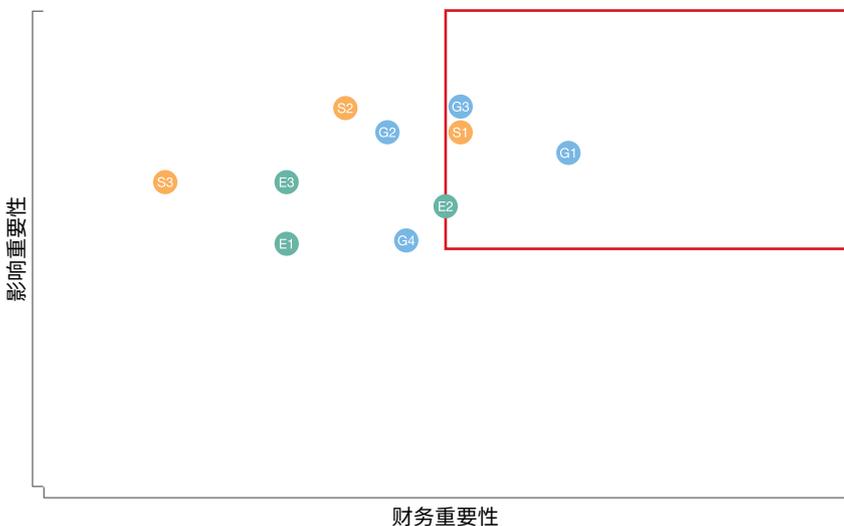


步骤4: 验证

初步的重要性议题矩阵经管理层审阅后,提交可持续发展委员会审议,最终获董事会批准。

报告期内的的重要性议题矩阵根据利益相关方评估结果更新。2023财年确定并筛选出的10个重要议题依然相关且未发生变化,其中四个议题被列为最为重要的议题。

重要性矩阵



重要议题	序号
气候变化战略	E1
低碳转型与碳中和	E2
生物多样性和生态影响	E3
多元化和平等机会	S1
健康与安全	S2
社区投资与发展	S3
公司治理	G1
资产完整性和重大事件管理	G2
网络安全和数据隐私	G3
可持续供应链	G4

2024 SUSTAINABILITY REPORT HIGHLIGHTS

2024年可持续发展报告概要

公司依据自身可持续发展框架和路线图，围绕四大支柱：绿色转型，打造气候韧性；以人为本，增进综合福祉；开放合作，赋能行业变革；强化治理，保障稳健发展，持续推进公司可持续发展。公司确立了清晰的目标，采取了切实有效的关键举措，并且持续对10个重要议题的进展情况监测与披露，致力于将可持续发展理念贯穿于企业发展的全过程。

绿色转型，打造气候韧性

在2023财年的工作基础上，公司依据ISSB要求，开展了两项情景分析，对气候风险的财务影响进行评估。在此过程中，公司将气候因素融入ERM框架，识别出易受气候风险影响的资产，以推动数据驱动的风险缓解措施和适应规划，从而提升公司应对气候挑战的韧性。

以2050年净零排放目标为导向，公司优化运营流程，使用绿色电力，获得可再生能源证书（“RECs”），取得了显著的减排成效。同时，公司逐步以氢化植物油（“HVO”）替代传统柴油作为加注车燃料，推动燃料使用向低排放转型。为推动航空业的脱碳工作，公司扩大混调SAF的供应规模，并积极投入碳信用交易，为行业减排贡献力量。

公司始终将环境管理作为企业发展的重中之重，严格遵守当地环境法律法规，积极履行生态保护责任。公司与新加坡国家公园局合作，支持“百万树木”运动，参与了乌敏岛的红树林植树行动，为新加坡绿色计划的实现添砖加瓦。

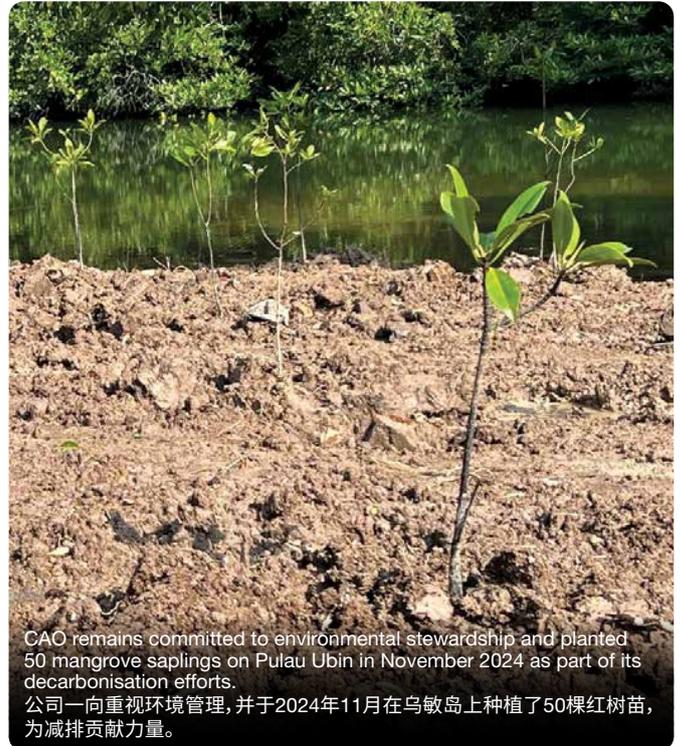
以人为本，增进综合福祉

公司坚持以人为本，致力于打造公平、包容、安全的工作环境。公司秉持平等机会原则，将多元化因素纳入招聘考量。为促进员工福祉与发展，公司推出灵活工作安排，为员工设计系统性的职业发展和培训计划，提供全面的健康福利。

在关注员工的同时，公司积极投身社区建设，支持弱势群体，在广惠肇留医院为长者提供志愿服务，并持续为贫困儿童提供支持和帮助。

开放合作，赋能行业变革

今年，公司在SAF领域取得显著进展，成功扩大了SAF供应业务。公司更新了ISCC CORSIA和ISCC EU的资质认证，并扩大了认证范围，进一步巩固了可持续燃料贸易的基础。同时，公司更新了对家尽职调查（“KYC”）表格，将ESG



CAO remains committed to environmental stewardship and planted 50 mangrove saplings on Pulau Ubin in November 2024 as part of its decarbonisation efforts.
公司一向重视环境管理，并于2024年11月在乌敏岛上种植了50棵红树苗，为减排贡献力量。

因素纳入评估标准，强化了供应链管理，进一步彰显了公司对负责任和可持续采购的承诺。此外，公司还与SAF供应商建立了新的合作伙伴关系，拓展了可持续供应网络，提升了市场影响力。

强化治理，保障稳健发展

公司高度重视完善治理体系，以确保对可持续发展战略的有效监管。公司开展了年度自评，确保董事会及其委员会具备应对可持续发展相关风险和机会的卓越能力和前瞻性。同时，对内部制度和标准工作流程（“SOPs”）进行了全面审查，提升了运营效率和合规性。

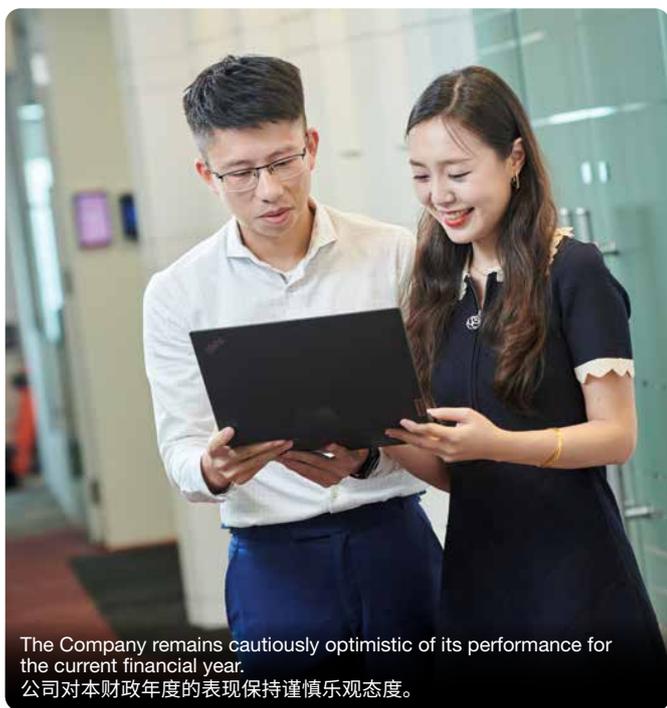
在网络安全和数据隐私管理方面，公司实施“零信任”¹网络安全框架，建立了完善的数据隐私生命周期管理体系。此外，公司强化资产完整性管理水平，修订了资产完整性和应急管理政策，在船舶选择过程中进行严格的尽职调查，并定期组织演练以提升应急管理水平。

有关公司可持续发展的详情，请参见公司2024财年可持续发展报告。

¹ “零信任”框架是一种基础性的安全模型，是现代网络安全领域广泛认可并常被引用的重要标准。

FINANCIAL REVIEW

业绩回顾



The Company remains cautiously optimistic of its performance for the current financial year.
 公司对本财政年度的表现保持谨慎乐观态度。

OVERVIEW

For the financial year ended 31 December 2024 ("FY2024"), the CAO Group achieved total revenue of US\$15.52 billion, an increase of 7.6% compared to US\$14.43 billion for the financial year ended 31 December 2023 ("FY2023") due to the increase in volume.

The CAO Group's operating profit increased by 11.9% to US\$39.86 million for FY2024 as compared to FY2023 mainly due to decrease in expenses partially offset by the decrease in gross profit and other operating income.

The share of results of associates was US\$45.89 million for FY2024, an increase of 51.4% compared to US\$30.32 million for FY2023.

The CAO Group's net profit attributable to the owners of the Company in FY2024 rose US\$19.50 million or 33.1% to US\$78.36 million. Consequently, Earnings Per Share attributable to the owners of the Company was higher at 9.11 US cents compared to 6.84 US cents in FY2023. Return on Equity increased 1.74 percentage points to 8.1%, mainly attributable to the higher profits.

Net cash generated from operating activities in FY2024 was US\$121.36 million, an increase of US\$66.80 million compared to US\$54.56 million in FY2023 mainly attributable to the increase in operating profit and lower utilisation of working capital for trading. Net cash generated from investing activities increased by US\$18.38 million to US\$44.64 million due to higher receipt of interest and

dividends from associates in FY2024. The acquisition of property, plant and equipment in 2023 had partially offset the cash inflows in FY2023. Net cash used in financing activities in FY2024 were US\$38.34 million compared to US\$16.57 million in FY2023, an increase of US\$21.77 million mainly attributable to the increase of US\$21.62 million in dividends paid in FY2024.

The CAO Group is proposing a final one-tier tax exempt ordinary dividend of S\$0.0372 per share for FY2024.

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 CAO Group is well-positioned to leverage on the opportunities presented by the continued recovery of the global aviation industry and remains cautiously optimistic of its performance for the current financial year, as it remains committed to strengthening its operational resilience, and continues to build on its jet fuel supply and trading network, complemented with trading in other oil products. The CAO 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.

OPERATING PROFIT

Total supply and trading volume was 21.92 million metric tonnes ("mt") for FY2024, an increase of 9.4% compared to 20.03 million mt for FY2023. The supply and trading volume of middle distillates increased 38.0% to 13.83 million mt for FY2024, compared to 10.02 million mt for FY2023. Despite the drop in oil price, revenue from middle distillates, which accounted for 68.9% of the CAO Group's total revenue in FY2024, increased 23.0% to US\$10.70 billion due to an increase in volume. Trading volume for other oil products, comprising mainly crude oil and fuel oil, decreased by 1.92 million mt or 19.2% to 8.09 million mt for FY2024 and generated US\$4.82 billion in revenue.

China remains the CAO Group's largest market, accounting for 67.2% of the CAO Group's revenue in FY2024, an increase of 6.39 percentage points compared to FY2023.

Gross profit decreased by 17.3% to US\$41.87 million for FY2024 compared to US\$50.60 million for FY2023, mainly attributable to lower gains derived from jet supply and trading of other oil products.

Other operating income was US\$17.35 million for FY2024 compared to US\$18.72 million for FY2023, a decrease of US\$1.37 million (7.3%) largely attributable to lower interest income. Interest income was US\$16.97 million for FY2024

FINANCIAL REVIEW

业绩回顾

compared to US\$17.74 million for FY2023, a decrease of US\$0.77 million (4.3%) attributable mainly to lower interest rates and deposits placed with banks and financial institutions. The dividends from investment in equity instrument in FY2024 was US\$0.07 million, a decrease of US\$0.41 million compared to US\$0.48 million in FY2023. Exchange differences was US\$0.03 million for FY2024 compared to US\$0.34 million for FY2023, a decrease of US\$0.31 million due to the depreciation of Euro dollar against US dollar in FY2024.

Total expenses decreased by US\$14.34 million (42.6%) to US\$19.36 million for FY2024 compared to US\$33.70 million for FY2023, mainly attributable to the impairment of US\$3.38 million in goodwill and US\$8.65 million in investment of an associate in FY2023. Legal fees decreased by US\$2.40 million year-on-year mainly due to the award of costs of US\$0.80 million following the success in BCP suit while higher legal fees in FY2023 was due to provision of legal fees for BCP suit. The ECL provision for FY2024 was US\$0.26 million compared to US\$1.16 million for FY2023, a decrease of US\$0.65 million.

SHARE OF RESULTS OF ASSOCIATES

The share of results from associates was US\$45.89 million for FY2024 compared to US\$30.32 million for FY2023, an increase of US\$15.57 million (51.4%), mainly attributable to higher contributions from SPIA. Share of results from SPIA was US\$44.47 million for FY2024 compared to US\$31.46 million for FY2023, an increase of US\$13.01 million or 41.4%, mainly attributable to higher refuelling volume which led to higher revenue and profit. Share of results from other associates was US\$1.42 million for FY2024 compared to -US\$1.14 million for FY2023, an improvement of US\$2.56 million, mainly due to higher share of results from OKYC and TSN-PEKCL.

NET PROFIT

The CAO Group's profit before tax at US\$85.75 million was higher by 30.1% compared to US\$65.93 million for FY2023, mainly attributable to the increase in share of results and the decrease in expenses, partially offset by the decrease in gross profit.

Income tax expense was US\$7.66 million for FY2024 compared to US\$7.56 million for FY2023, an increase of US\$0.10 million or 1.4%.

As a result of higher share of results and lower expenses, the CAO Group recorded net profit of US\$78.09 million for FY2024, higher by US\$19.72 million or 33.8% compared to US\$58.37 million for FY2023.

FINANCIAL POSITION

The CAO Group continues to maintain a healthy balance sheet in FY2024. As at 31 December 2024, total assets was US\$1.99 billion, an increase of US\$0.20 billion compared to US\$1.79 billion as at 31 December 2023, mainly due to the increase in trade and other receivables and cash and cash equivalents, partially offset by the decrease in inventories.

The CAO Group's liquidity and debt servicing ability remained strong. As at 31 December 2024, the CAO Group's cash and cash equivalents were US\$500.33 million, an increase of US\$127.29 million compared to US\$373.04 million as at 31 December 2023. As at 31 December 2024, the CAO Group's current ratio and quick ratio were 1.71 and 1.64 respectively (FY2023: 1.82 and 1.71 respectively). As at 31 December 2024, the CAO Group's total trade and banking facilities amounted to US\$3.57 billion.

As at 31 December 2024, the equity attributable to owners of the Company stood at US\$986.27 million, or 114.66 US cents per share, compared to US\$948.40 million or 110.26 US cents per share as at 31 December 2023. Equity attributable to the non-controlling interests was US\$3.68 million as at 31 December 2024.

The CAO Group continues to preserve its overall liquidity position to support its supply and trading businesses. The CAO Group's principal sources of cash flow are derived from its supply and trading business operations as well as dividends received from its investment in associates.

The CAO Group's FY2024 financial performance has demonstrated the strength and resilience of CAO's businesses despite operating in difficult global market conditions. CAO will continue to maintain a healthy balance sheet, exercising stringent credit management as it continues to focus on credit control as well as account receivables and working capital management, while proactively seeking synergetic and strategic asset investment opportunities to diversify and augment its income streams.

ECONOMIC VALUE ADDED

Economic Value Added profit for FY2024 was US\$15.82 million, an improvement of US\$16.92 million from -US\$1.10 million for FY2023, mainly due to the increase in net earnings on the back of higher capital employed. Net profit attributable to equity owners of the Company increased 33.1% year-on-year to US\$78.36 million for FY2024, compared to US\$58.86 million for FY2023. The CAO Group will continue to focus on improving efficiency and remain prudent in financial management to create value for shareholders.

FINANCIAL REVIEW

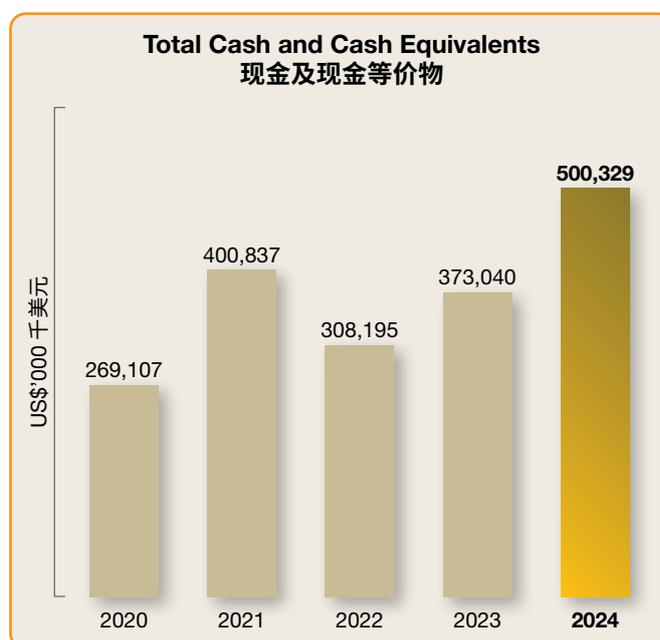
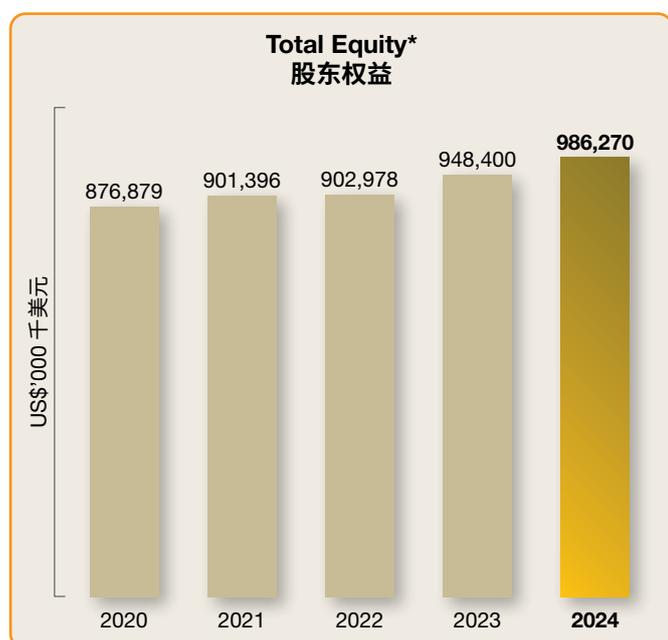
业绩回顾

5-YEAR FINANCIAL SUMMARY 五年财务摘要	2020	2021	2022	2023	2024
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INCOME STATEMENT (US\$'000) 损益表 (千美元)					
Revenue 收入	10,516,955	17,636,657	16,464,124	14,429,573	15,518,512
Gross Profit 毛利	45,872	30,697	35,391	50,598	41,865
Share of Results of Associates 联营公司投资收益	24,789	23,550	17,902	30,318	45,894
Net Profit after Tax 税后净利润*	56,193	40,350	33,532	58,856	78,357

BALANCE SHEET (US\$'000) 资产负债表 (千美元)					
Total Assets 总资产	1,887,949	1,535,658	1,499,618	1,787,514	1,991,699
Total Equity 股东权益*	876,879	901,369	902,978	948,400	986,270
Cash and Cash Equivalents 现金及现金等价物	269,107	400,837	308,195	373,040	500,329

FINANCIAL RATIOS 财务比率					
Earnings per Share (US\$ cents)* 每股收益 (美分)	6.53	4.69	3.90	6.84	9.11
Net Asset Value per Share (US\$ cents)* 每股资产净值 (美分)	101.94	104.79	104.97	110.26	114.66
Return on Equity 净资产回报率*	6.57%	4.54%	3.72%	6.36%	8.10%
Return on Assets 资产回报率*	3.22%	2.61%	2.50%	4.03%	4.56%
Debt Equity Ratio 股本带息负债率	0.00%	0.00%	0.00%	0.00%	0.00%



* Relates to the amount attributable to equity owners of the Company 数额归属于本公司所有者

FINANCIAL REVIEW

业绩回顾



CAO will continue to focus on improving efficiency and remain prudent in financial management to create value for shareholders.
 公司将继续提高运营效率,保持谨慎的财务管理策略,为股东持续创造价值。

综述

截至2024年12月31日(简称“2024财年”),中国航油新加坡公司总收入为155.2亿美元,相比2023年12月31日(简称“2023财年”)的144.3亿美元上涨7.6%,主要是因为总业务量增加。

公司2024财年的营业利润为3,986万美元,较2023财年上涨11.9%,主要是因为费用减少,同时毛利和其他经营收入减少抵消了部分增幅。

2024财年来自联营公司的投资收益为4,589万美元,较上年同期的3,032万美元,上涨51.4%。

2024财年归属于本公司所有者的净利润为7,836万美元,同比增加1,950万美元,增幅为33.1%。2024财年归属于本公司所有者的每股收益为9.11美分,上年同期为6.84美分。净资产收益率上涨1.74个百分点至8.1%,主要原因是利润增加。

2024财年经营活动产生的净现金流入为12,136万美元,上年同期为5,456万美元,同比增加6,680万美元,主要原因是运营利润增加和贸易资金占用较低。投资活动产生的净现金流入增加1,838万美元至4,464万美元,主要是2024财年收到较高的利息和联营公司分红。2023财年购置不动产、厂房及设备支出部分抵消了2023财年的现金流入。2024财年累计筹资活动产生的净现金流出为3,834万美元,较上年同期的1,657万美元增加2,177万美元,主要原因是2024年支付的股息增加2,162万美元。

公司提议2024财年发放每股0.0372新元的单层免税年终普通股股息。

由于油价波动、全球经济增长面临不确定性,以及日益加剧的地缘政治紧张局势,全球市场环境预计仍将充满挑战。然而,凭借稳健的财务状况,公司有望把握全球航空业持续复苏所带来的机遇,并对本财政年度的表现保持谨慎乐观态度。公司将继续致力于加强其运营韧性,完善航煤供应和贸易网络,同时开展其他石油产品的交易。与此同时,公司还将专注于通过投资具有协同效应和战略性的油品相关资产和业务来寻求战略扩张的机会,以提高长期盈利能力。

营业利润

2024财年总供应与贸易量为2,192万吨,同比2023财年的2,003万吨上涨9.4%。中馏分供应与贸易量从2023财年的1,002万吨增加38.02%至2024财年的1,383万吨。虽然油价下跌,但业务量的增加带来中馏分供应与贸易收入增加23.0%至107.0亿美元,占公司2024财年总收入的68.9%。其他油品贸易量(主要来自于原油和燃料油)在2024财年减少192万吨或19.2%至809万吨,贡献48.2亿美元的收入。

中国依然是公司最大的市场,占公司2024财年收入的67.2%,占比较2023财年增加6.39个百分点。

2024财年毛利为4,187万美元,较2023财年毛利5,060万美元下降17.3%,主要原因是航煤供应业务利润和其他油品贸易盈利较低。

FINANCIAL REVIEW

业绩回顾

2024财年累计其他经营收入为1,735万美元,较上年同期的1,872万美元减少137万美元,减幅为7.3%,主要原因是利息收入较低。2024财年累计定期存款利息收入为1,697万美元,较去年同期的1,774万美元减少77万美元,减幅为4.3%,主要是由于银行存款减少和利率下降带来利息收入减少。2024财年累计收到权益工具投资分红7万美元,上年同期为48万美元,同比减少41万美元。2024财年汇兑收益为3万美元,上年同期为34万美元,同比减少31万美元,主要是2024财年欧元对美元贬值产生汇兑损失。

2024财年累计总期间费用为1,936万美元,较去年同期3,370万美元减少1,434万美元,减幅为42.6%,主要是由于2023财年计提了商誉减值准备338万美元和联营公司长投减值准备865万美元。法律费用同比减少240万美元,主要是因为BCP案件胜诉取得80万美元的诉讼费用赔偿金减少了当期法律费用,上年同期则因为BCP诉讼案增加法律费用。2024财年信用损失为26万美元,去年同期为116万美元,同比减少65万美元。

来自联营公司的投资收益

2024财年累计来自于联营公司的投资收益为4,589万美元,较去年同期的3,032万美元,增加1,557万美元,增幅为51.4%,主要是来自于浦东航油的投资收益增加。2024年累计来自浦东航油的投资收益为4,447万美元,较上年同期的3,146万美元增加1,301万美元,增幅41.4%,主要因为航油加注量增加带来浦东航油的收入和利润增加。2024年累计来自其他联营公司的投资收益为142万美元,较去年同期负114万美元,增加256万美元,主要是因为来自于OKYC和津京管输的投资收益增长。

净利润

2024财年公司税前利润为8,575万美元,较2023财年的6,593万美元上涨30.1%,主要是投资收益增加和费用减少,部分增幅被较低的毛利抵消。

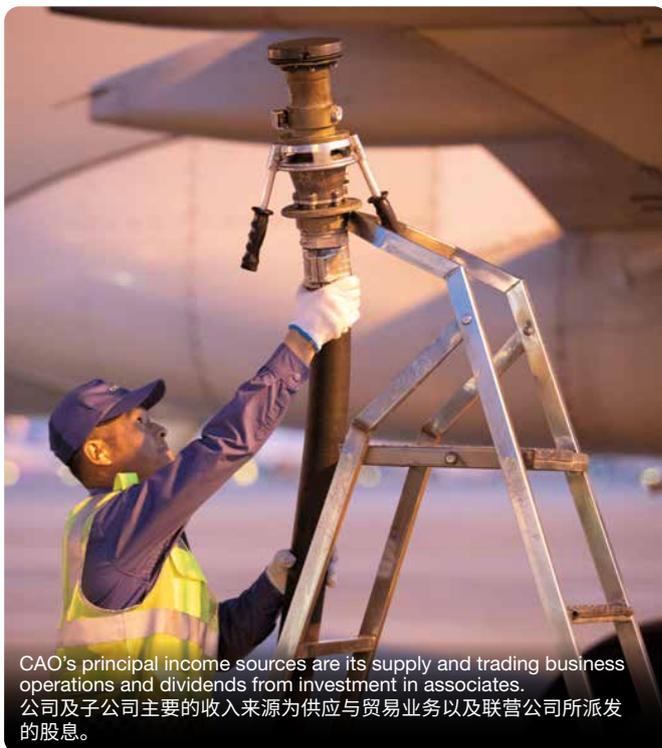
2024财年所得税费用为766万美元,较上年同期的756万美元增加10万美元,增幅为1.4%。

由于投资收益较高和费用较低,2024财年净利润为7,809万美元,较2023财年的5,837万美元增加1,972万美元,涨幅为33.8%。

财务状况

2024财年公司继续保持稳健的财务状况。截至2024年12月31日,总资产为19.9亿美元,较上年同期的17.9亿美元增加2.0亿美元,主要是由于贸易及其他应收账款和货币资金增加,而存货的减少部分抵减了增幅。

公司的资金流动性和偿债能力依然稳健。截至2024年12月31日,公司货币资金为5.00亿美元,较2023年12月31日的3.73亿美元增加1.27亿美元。截至2024年12月31日,公司



CAO's principal income sources are its supply and trading business operations and dividends from investment in associates.
公司及子公司主要的收入来源为供应与贸易业务以及联营公司所派发的股息。

的流动比率和速动比率分别为1.71和1.64 (2023财年分别为1.82和1.71)。截至2024年12月31日,公司的贸易及银行授信额度总计35.7亿美元。

截至2024年12月31日,归属于本公司所有者的净资产为9.86亿美元,或每股114.66美分;而截至2023年12月31日,归属于本公司所有者的净资产为9.48亿美元或每股110.26美分。截至2024年12月31日,归属于非控制性权益的净资产额为368万美元。

公司及子公司继续保持较好的整体资金流动性以支持业务拓展。公司及子公司主要的现金来源为供应与贸易业务以及联营公司所派发的股息。

尽管全球市场环境充满挑战,但公司在2024财年所取得的良好业绩充分展现了公司的运营优势及韧性。公司将继续保持健康的资产负债表,严格管控信用风险,同时加强对信用额度的控制以及应收账款和流动资金的管理。公司也会积极寻找有协同性的战略资产投资机会,以拓宽收入来源。

经济增加值

2024财年经济增加值为1,582万美元,较上年的负110万美元增加1,692万美元,主要是资本投入增加带来净利润增加。2024财年归属于本公司所有者的净利润为7,836万美元,较2023财年的5,886万美元上涨33.1%。公司将继续提高运营效率,保持谨慎的财务管理策略,为股东持续创造价值。

RISK MANAGEMENT

风险管理

In 2024, the global oil market faced shifting dynamics, influenced by China's slowing demand growth, the rise of electric vehicles, and geopolitical tensions. Historically contributing over 60% of global oil demand growth, China's share fell to under 20%, with India emerging as a key driver of demand. Meanwhile, geopolitical instability, including conflicts in the Middle East and tensions between major oil-producing nations, led to supply uncertainties and price volatility. In the aviation sector, air travel rebounded strongly, with global passenger traffic nearing pre-pandemic levels. Asia, particularly India and China, contributed 60% to global jet fuel demand growth, signalling a continued recovery despite high fuel prices and supply chain disruptions.

Under the influence of the challenging external environment, the operations and business development of CAO were faced with significant challenges, and the complexity of various business risks and the difficulty of effective controls increased. In 2024, Brent crude oil prices exhibited notable fluctuations. The year started with Brent trading at approximately US\$77.04 per barrel on 1 January 2024. Throughout the year, prices varied between US\$68 and US\$93 per barrel, marking the narrowest trading range since 2019. The highest closing price was US\$91.17 per barrel, the lowest annual high since 2021. By 31 December 2024, Brent crude closed at US\$74.64 per barrel, reflecting a 3.2% decline from the previous year's closing price.

Under such a complex and constantly changing environment, CAO relied on its four-tier, two-line risk management framework and reporting structure to analyse, assess and identify various risks to effectively mitigate and manage the risk exposure faced by the CAO Group's expanding global business operations while ensuring sustainable, healthy business growth.

In 2024, the Company continued to enhance its risk management system, internal risk methodology, as well as strengthening its key risk indicators monitoring work. The Company optimised the quality of its trading counterparties through active monitoring and conducting thorough counterparty portfolio review that focused on high-risk counterparties and growth segments, further strengthening the Company's ability to manage exposures. CAO also automated certain day-to-day operational duties to further improve internal efficiency. The Company's market risk limits were also updated to reflect current market conditions and the Company's risk appetite, further enhancing the Company's effectiveness and efficiency in risk management.

As part of its risk culture, the CAO Group continues to actively develop and refine its centralised risk control and support network to support global business growth. The CAO Group's risk management process has the following features:

RISK MANAGEMENT FRAMEWORK, POLICIES AND PROCESSES

CAO's comprehensive risk management framework comprises risk management policies, guidelines, procedures, processes, limits, as well as systems of internal controls, which are put in place to identify, measure and control various risks encountered in our business operations, enabling the CAO Group to quickly respond to constantly changing market conditions.

Our risk management foundation is built upon three pillars namely:

1. Four-tier, two-line management and control structure;
2. Policies, guidelines and control framework; and
3. System, standard processes and people.

The CAO Group's four-tier, two-line management and control structure is designed to ensure sound governance and oversight over the execution of effective risk management practices for the CAO Group.

At the strategy and governance level, the Board of Directors has oversight responsibility for the effective risk management of CAO. All risk management related issues will be ultimately reported to the Board of Directors.

At the tactical and policy level, the Risk Management Committee ("RMC") oversees strategic risk management issues. The RMC reviews the limits for various types of risks and proposes to the Board for approval and in addition, approves new activities that CAO plans to embark on. Through monthly reports and half yearly meetings, the RMC reviews the various risk metrics that provide an indication on CAO's risk exposures and the manageability of each category of risk.

At the management and control level, the Company Risk Team ("CRT") plans and implements risk management controls over risk exposures such as market, credit, operational, enterprise, compliance and reputational risks. The CRT operates within the delegated authority set at the RMC level. The CRT is chaired by the Head of Risk Management, who reports to the CEO but has an independent direct reporting line to the RMC.

RISK MANAGEMENT

风险管理

CAO'S ROBUST RISK MANAGEMENT AND CONTROL STRUCTURE 中国航油新加坡公司四层风险管控架构与双重汇报路线



At the operation level, the Risk Management Department ensures that risk management activities are executed daily and that all risk-related policies, processes and limits are implemented and adhered to. Over the past decades, the risk management team has defined and built the framework around risk management, identifying, reporting and monitoring the risk profiles of the CAO Group's supply and trading businesses in Singapore, Hong Kong SAR, USA and Europe. CAO's global risk team, with professional credentials such as Financial Risk Manager (FRM) by Global Association of Risk Professionals (GARP) and their expertise in credit, market and enterprise risk management supports appropriate risk management practices in daily operations across the globe, enabling the management team to execute strategic business objectives and achieve performance targets.

RISK MANAGEMENT STRATEGY

The CAO Group's growing multi-product portfolio of businesses subjects CAO to a number of risks. These include exposures stemming from changes to regulatory and operational conditions in certain regions, fluctuations in currencies and volatility in oil prices. To better manage the risk exposures of the CAO Group's growing business portfolio, CAO has continually enhanced its risk management processes and methodologies to better manage the growing uncertainties in the CAO Group's key markets.

CAO's management of risk includes identifying key areas of uncertainties and risks that will impact the CAO Group's strategic performance, and have in place the appropriate risk mitigating initiatives to manage them:

- Market risk – is the risk of losses arising from movements in trading positions and market prices.
- Credit risk – is the risk due to uncertainty of counterparty to meet its contractual obligations.
- Operation risk – is the risk arising from operational gaps of both financial and physical operations.
- Legal risk – is the risk of financial and/or reputational loss that can result from lack of awareness or misunderstanding of, ambiguity in, or reckless indifference to, the way law and regulation apply to a company's business.
- Finance risk – is the risk that that a firm will be unable to meet its financial obligations.

RISK MANAGEMENT

风险管理

TOP 5 RISKS AND MITIGATION

At CAO, we constantly strive to improve our risk control systems through adopting best-in-class practices and developing new initiatives to enhance the CAO Group's risk management capabilities. On top of managing the key identified business risks on a daily basis, we have also analysed and determined the top five risks in CAO's operating environment in 2024 through an internal assessment.

No.	Assessed Significant Risks	Mitigation Strategies	Impact
1	Strategic investment risks	<ol style="list-style-type: none"> 1. Actively seek opportunities to add value to CAO's core jet fuel business, focusing on aviation marketing and supporting the Company's supply and trade network. 2. Continuously improve the Company's investment business through acquisition activities, and investments in synergetic assets with profit growth, as well as increasing investment efforts in the industrial and value chain. 3. Closely monitor changes relating to the external market and industry, and proactively explore new business opportunities to ensure the Company's long-term competitiveness. 	Mid
2	Counterparty credit risk	<ol style="list-style-type: none"> 1. Set appropriate counterparty credit limits for its global counterparties. 2. Implement dynamic management process to monitor the credit of counterparties; establish an active counterparty list and a blacklist. Ensure the quality of counterparties by conducting regular reviews as well as ad-hoc reviews based on macro economy changes. 3. Multiple rounds of trade counterparty clean up exercises have been carried out to improve the overall trade counterparty quality. 4. Implement credit mitigation such as letters of credit prepayment, credit insurance, etc. 5. Manage credit risk issues through Credit Committee. 	Mid
3	Policy change in China aviation fuel market	<ol style="list-style-type: none"> 1. Leverage the Company's existing supply and trade capabilities to establish a diversified business structure, and enhance its trading capabilities for other oil products. 2. Actively explore and gain entry into overseas jet fuel and other oil product markets. Secure domestic and overseas resources to sustain stable and long-term growth of market share in target markets. At the same time, increase the efficiency of logistics management, extend the business value chain, and establish a comprehensive supply chain and trading network incorporating procurement, storage, transportation, sales and trade activities. 3. Optimise supply resources and adjust supply models in accordance with the aviation fuel supply and demand situation in China. 4. Leverage the CAO Group's existing aviation marketing advantages to develop its biofuel supply and trading business, as well as expand new business and revenue sources. 	Mid
4	Price fluctuation	<ol style="list-style-type: none"> 1. The front office and relevant CAO subsidiaries are to closely monitor market changes and strictly carry out trade activities within the Company's prescribed risk limits. 2. Risk Management Department to provide daily report monitoring. 3. Increase the frequency and granularity of aviation market procurement and sales quantity forecasts. 	Mid

RISK MANAGEMENT

风险管理

No.	Assessed Significant Risks	Mitigation Strategies	Impact
5	Climate Risk and Energy Policy Transformation	<ol style="list-style-type: none"> 1. Ensure all climate-related disclosures are in accordance with SGX requirements, i.e. to incorporate climate-related disclosures based on TCFD requirements to ensure compliance with information disclosure. 2. Develop and implement carbon reduction measures, including the use of LED lights as much as possible, and encourage employees to reduce paper printing. 3. Upon obtaining the relevant biofuel supply and trading qualifications, the Company has been actively advancing the development of its biofuel supply and trading business. 4. CAO has been proactively seeking sustainable biofuel-related investment opportunities and projects, striving to become a technology and resource driven company. 	Mid

COMPREHENSIVE ENTERPRISE RISK MANAGEMENT

Recognising that risk management plays an important role in business sustainability, CAO has adopted Enterprise Risk Management (“ERM”) practices to identify and manage the various types of risks the CAO Group’s globalised operations is exposed to. Building on the ERM practices, the risk management team is able to identify, analyse and prioritise key risk factors faced by the CAO Group, through which action plans to mitigate identified risks are executed as planned by respective risk owners from various business units and functions. The process ensures that key risks are proactively monitored and managed and that appropriate mitigations are put in place.

Under the ERM, the top-down and bottom-up approach is deployed to effect information collection and compilation for the CAO Group’s risk register. CAO currently reviews the Risk Register risk entries semi-annually. During the review process, we quantified each risk entry in term of impact and probability and rank them, so as to select the most significant potential risks.

Besides the Risk Register, the CRT which comprises CAO’s senior management team and heads from various business functions, forms the next critical component of our ERM model and is an important channel for discussing risk-related topics and issues. Through regular meetings, as well as ad-hoc ones and e-mail circulation, potential risk factors identified in daily business operations can be discussed and evaluated timely.

For the past recent years, the stress-testing conducted at the enterprise level, covering various risk categories has enabled the CAO Group to better understand the possible

impact CAO faced under special events and environments, enabling the CAO Group to execute appropriate and effective risk mitigation measures.

MARKET RISK MANAGEMENT AND SENSITIVITY ANALYSIS

In the area of market risk management, the Risk Management Department monitors and analyses the CAO Group’s supply and trading activities, maintains comprehensive risk control records and reports daily to the management team as well as stakeholders of various business functions.

The Market Value at Risk (“MVaR”) is used as a primary tool to measure market risk. All physical and financial contracts are subjected to MVaR limits and valuation of the holding portfolio is monitored on a daily basis. A set of market risk limits, which are delegated by the Board, include Volumetric limits, MVaR, Management Alert Triggers, Stop-Loss limits and Hedging Ratio, are measured and monitored daily, with back-testing conducted regularly to ensure the reliability of our MVaR model.

To complement the market risk limits, the Risk Management Department also conducts market stress tests on the Company’s trading positions on a regular basis. Using historical scenarios from the database, the Risk Management Department simulates in a timely manner the likely impact of the CAO Group’s recent trading position in times of extreme market conditions. In 2024, we conducted four stress tests including the Russia-Ukraine Conflict scenario, which allowed CAO to have timely and deeper insight of our business activities, and enabled the CAO Group to take mitigating actions when necessary.

RISK MANAGEMENT

风险管理

2024 MVaR UTILISATION AT COMPANY LEVEL

2024年公司市场风险值使用情况



Notwithstanding the high volatility in the market environment, the CAO Group's risk appetite remained cautious and measured. The daily MVaR utilisation rate, based on a 95% confidence interval, remained stable with an average MVaR utilisation of approximately US\$1 million in 2024.

In 2024, we continued to conduct derivatives business in strict accordance with the Hedging Business Proposal approved by the Board of Directors, which requires all derivatives business to be for hedging purposes and strictly prohibits speculation in derivatives business.

CREDIT RISK MANAGEMENT AND CONCENTRATION ANALYSIS

Due to the nature of our business operations, credit risk is inherent in the CAO Group's trading business. It is thus, one of the most significant measurable risks faced by CAO.

Credit risk is classified into credit default risk, concentration risk and country risk:

1. Credit default risk is the risk of losses arising from a counterparty being unable to pay its obligations in full
2. Concentration risk is the risk posed to a company by any single or group of exposures which have the potential to produce losses large enough to threaten the ability of the company to continue operating as a going concern
3. Country risk or sovereign risk is the risk of loss arising from a sovereign state freezing foreign currency payments or when it defaults on its obligations;

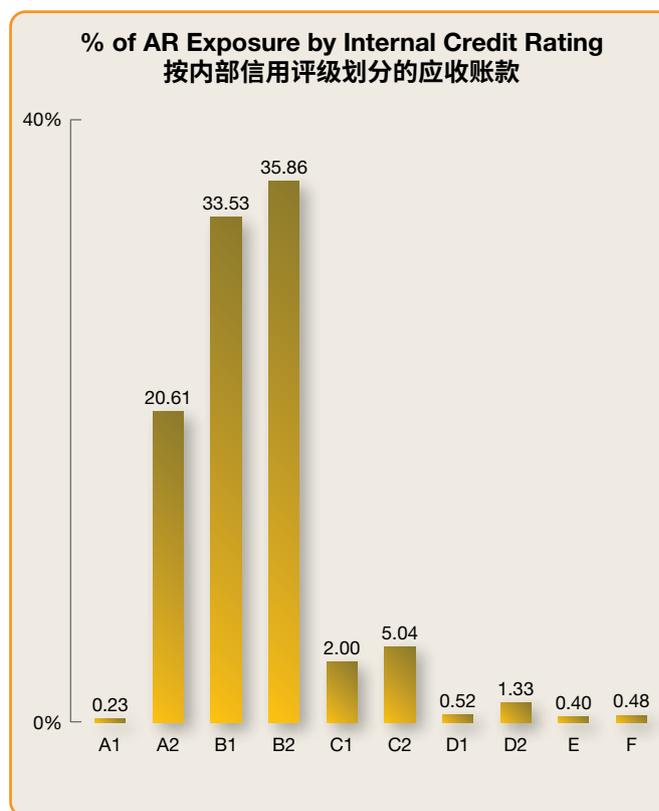
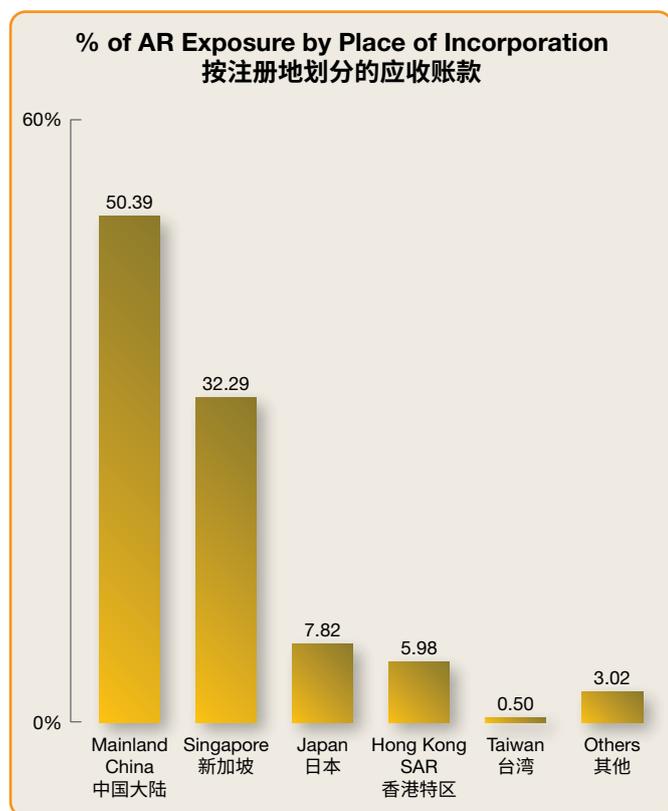
To actively manage our credit risk, counterparties' credit worthiness is evaluated periodically based on their financial standings, operating and payment track records as well as conducting background checks. Actual credit terms and limits to be granted are derived based on the information obtained.

Given the increasingly volatile operating environment and uncertain geo-political situation in recent years, the CAO Group has continued to maintain a prudent credit risk management practice. The key areas of focus include:

1. Special reviews and deep dives into high-risk counterparties or industry segments, allowing the CAO Group to adopt pre-emptive measures and actions to avert potential credit events;
2. Enhance the counterparty management policies to improve the effectiveness and efficiencies of counterparty management in the CAO Group, and also to conduct counterparties clean up exercises to reduce exposure to riskier counterparties and improve the overall credit quality of the CAO Group's portfolio of counterparties.
3. Effectively alleviates the Company's credit risk exposure through credit insurance, bank letters of credit, etc.

RISK MANAGEMENT

风险管理



Our concentration risk profile of accounts receivables are as follows:

By Country

As of 31 December 2024, our geographical exposure was predominantly Mainland China (50.39%), Singapore (32.29%) and Japan (7.82%), which made up 90.50% of the CAO Group's total exposure.

During the fiscal year, the predominant exposures are from China and Singapore.

By Internal Credit Rating

As of 31 December 2024, in terms of internal credit rating, the CAO Group's exposure mainly comes from Grade B2 (35.86%), Grade B1 (33.53%) and A2 (20.61%), which accounted for approximately 90% of our account receivable position. Letters of credit receivables constituted approximately 31.65% of total account receivables.

As of 31 December 2024, the exposure from these internal ratings of Grade A1 to B2 (including exposures against letters of credit) equivalent of investment-grade made up 93.32% of the CAO Group's receivable exposure. The overall credit grade composition of the receivables portfolio was satisfactory.

For other non-investment-grade credit rated counterparties, CAO hardly granted them any credit lines, and if necessary, the payment terms granted to them are on letters of credit and prepayment basis, which effectively reduced the CAO Group's credit risk exposure.

The CAO Group also employs credit enhancement or mitigation tools where necessary. These include obtaining parental company guarantees, cash collateral, letter of credit from investment-rated banks and off-set clause in contracts.

Risk management in CAO remains an integral part of the CAO Group's strategic and operational management. As a testament of our robust risk control system, CAO was awarded the Best Risk Management Award (Gold) at the Singapore Corporate Awards 2024, reflecting the industry recognition of our effective risk management practices. We remain committed to proactively promote a strong culture of risk awareness and will continuously enhance our risk management processes and capabilities to ensure that CAO is able to effectively execute its strategies and achieve its strategic targets to deliver sustainable shareholder value.

RISK MANAGEMENT

风险管理

2024年,受中国需求增长放缓、电动汽车崛起及地缘政治紧张局势的影响,全球石油市场发生动态变化。中国曾占全球石油需求增长的60%以上,但此比例已降至20%以下,而印度正逐渐成为石油需求增长的主要驱动力。同时,中东冲突及主要产油国之间的紧张关系等地缘政治的不确定性,也导致石油供应不稳定和价格波动。在航空业方面,全球航空旅行复苏强劲,客运量已接近疫情前水平。亚洲,特别是印度和中国,对全球航空燃油需求增长的贡献达60%;这意味着尽管燃油价格偏高且供应链不稳定,航空业仍在持续复苏中。

在严峻的外部环境影响下,公司的经营活动与发展面临着巨大挑战,各项风险复杂程度与管控难度也日益提高。2024年,布伦特原油价格出现显著波动。2024年1月1日的布伦特原油价格约为每桶77.04美元,全年价格在每桶68美元至93美元之间波动,是自2019年以来最窄的交易区间。2024年度最高收盘价为每桶91.17美元,为2021年以来最低的年度高点。2024年12月31日,布伦特原油收于每桶74.64美元,相比上一年收盘价下降了3.2%。

在复杂多变的环境下,公司凭借现有的四层双线风险管理构架和报告机制,及时分析、评估和识别各项风险,有效地管控公司不断扩大的全球业务范围内的各项风险,确保公司业务的可持续与健康发展。

2024年,公司持续优化风险管理体系,完善内部风险方法论,并加强关键风险指标的监测工作。公司通过对贸易对家的持续监测和重点审查,着重关注高风险贸易对家公司业务的增长领域,不断优化贸易对家的质量,进一步提升公司管理风险敞口的能力。此外,公司自动化部分日常运营工作流程,提高内部运营效率。市场风险限额亦根据当前市场状况和公司风险偏好进行了更新,进一步提升了公司风险管理的有效性和效率。

作为风险文化的一部分,公司及子公司继续积极开展并完善风险控制与支持网络的中心化,以支持公司在全球的业务拓展。以下是公司的风险管控主要流程:

风险管理框架、政策和流程

公司的全面风险管理框架包括风险管理政策、指引、规程、流程、限额和内控体系,用来识别、评估和控制经营中出现的多种风险,使公司及子公司对多变的市场能够做出快速反应。

公司风险管理的三大支柱分别为:

1. 四层双线管理与控制架构;
2. 政策、指导方针和控制架构;以及
3. 系统、标准流程和人员

公司的四层双线管理与控制架构是为了确保有效的治理和监督风险管理实践的有效执行。

在战略层面,董事会全面负责公司的风险管理监管职责。所有风险管理相关事项最终都将汇报给董事会。

在策略层面,风险管理委员会负责监管战略风险管理事项。风险管理委员会对各类风险的限额进行审阅并提交董事会进行最终审批,并且审核批准公司计划开展的新业务。风险管理委员会在月报和每半年的会议中审查各种风险矩阵,了解公司各类风险的敞口和可管控程度。

在管控层面,公司风险管理工作小组(简称“风险管理小组”)在风险管理委员会授权之下,就市场、信用、运作、企管、合规和信誉等各类风险敞口的风险管控措施进行规划和实施。风险管理小组主席由风险管理部主管担任,既向首席执行官负责,同时也有权直接、独立地向风险管理委员会汇报。

在运作层面,风险管理部负责日常风险管理活动的执行,并确保所有与风险相关的政策、流程和限额得到遵守和落实。在过去数十年中,风险管理团队设立了风险管控框架,有效识别、汇报和监控公司及子公司在新加坡、香港、美国以及欧洲的油品供应与贸易业务的风险状况。风险管理团队拥有如全球风险管理专业人士协会(GARP)所认证的金融风险管理师(FRM)等专业资质,他们在信用、市场和企业风险管理方面的专业知识能有效地支持全球日常业务运营中的风险管理实践,使管理层能够使战略性的业务目标和业绩指标落地。

风险管理策略

随着多产品业务的日益增长,公司及子公司所面临的风险也逐渐增多。这些风险敞口来自部分地区监管和运营条件的改变、汇率以及油价波动。为了更好地管理公司不断拓展的业务组合,公司不断完善风险管理流程和方法论,以更好地应对公司关键市场日益加剧的不确定性。

公司的风险管理包括识别能影响公司及子公司战略表现的关键不确定因素和风险,并且制定相应的风险缓解措施来管理这些风险。

- 市场风险 — 因贸易仓位、市场价格的变化而导致公司遭受损失的风险。
- 信用风险 — 贸易对家履约的不确定性所带来的风险。
- 运作风险 — 财务和实货运作之间由于运行脱节而引发的风险。
- 法律风险 — 对公司应遵守的法律法规意识缺乏、误解、不明确或不计后果的行为所带来的财务和/或信誉损失风险。
- 财务风险 — 公司无法财务履约所带来的风险。

RISK MANAGEMENT

风险管理

五项关键风险及缓解措施

公司通过借鉴业内的最佳实践来持续改善公司的风险管理,并通过新措施加强公司及子公司的风险管理能力。除了日常管控主要的业务风险,公司也通过内部评估排查了公司2024年的经营活动中的前五大风险。

序号	评估的重大风险	采取的管理策略和解决方案	影响程度
1	投资战略风险	<ol style="list-style-type: none"> 积极寻找为公司核心航油业务增值的机会,以航空市场营销为重点,支持公司的供应与贸易网络。 通过收购活动不断完善公司的投资业务,并投资协同性及支持利润增长资产,加大产业链、价值链的投资力度。 密切追踪外部市场及行业变化,积极探索新业务商机,确保公司长期的竞争力。 	一般
2	贸易对家信用风险	<ol style="list-style-type: none"> 为全球对家设立恰当的总信用限额。 对贸易对家实施动态管理,建立对家活跃名单和黑名单,在周期性对家复审的基础上根据宏观形势变化不定期进行专项对家清理,保证对家质量。 开展多轮贸易对家清理以提升对家整体质量。 实施信用缓解措施,如信用证、预付款、信用保险等。 通过信用风险管理小组统一管理信用风险相关事宜。 	一般
3	中国航油市场政策变化	<ol style="list-style-type: none"> 充分发挥公司现有的供应与贸易能力,建立多元化业务结构,提升其他油品的贸易能力。 积极开拓、进入航煤及其它油品的海外市场,锁定国内外资源并在目标市场建立长期稳定的市场份额,同时提高物流运作效率,延伸业务链,打造一个集采购,储存,运输,销售和贸易活动为一体的全链条供应与贸易网络。 根据国内航油供需状况,优化供应资源,调整供应模式。 利用现有航空市场营销优势,开展生物燃料供应与贸易业务,增加新的业务和利润来源。 	一般
4	价格波动	<ol style="list-style-type: none"> 前台业务部门及相关子公司密切关注市场变动,严格按照公司风险限额开展贸易活动。 风险管理部提供日常报表监控。 增加航空市场相关采购和销售数量预测的频度和精细度。 	一般
5	气候风险及能源政策转型	<ol style="list-style-type: none"> 确保公司按照新交所的要求披露气候相关信息,即按照TCFD的要求披露气候相关信息,以确保信息披露的合规性。 制定并采取碳减排措施,包括尽量使用LED灯、鼓励员工减少纸张打印等。 公司在获取相关生物燃料供应与贸易所需资质后,积极推进开展生物燃料供应与贸易业务。 公司积极寻找与可持续生物燃料相关的实业项目和投资机会,争取成为一家拥有技术和资源的公司。 	一般

企业全面风险管理介绍

认识到风险管理在企业可持续发展中起着重要的作用,公司采用企业风险管理来识别和管理公司全球业务运作面临的各种风险。风险管理团队通过全面的风险管理实践,识别、分析和评估公司及子公司所面临的主要风险因素,以更好地安排各风险归口管理部门来执行相关的风险减缓计划,确保关键风险得到积极的监控和管理,并且有适当的缓解措施。

在企业风险管理中,公司通过自上而下和自下而上两种方法来收集信息和汇总企业风险列表。公司目前对企业风险列表每半年进行一次回顾,并在回顾的过程中采用对影响

力和可能性进行量化的方法对每个风险事项进行估值和排序,从而遴选和列出对公司潜在影响最大的几项风险。

除了上述的企业风险列表,由公司管理层和业务相关部门主管所组成的风险管理小组既是企业风险管理体系的重要组成部分,也是讨论风险相关议题的重要平台。通过例会、临时会议、电邮传签等形式,公司在日常经营中所面临的任何风险议题均可得到及时的讨论和评估。

最近几年,公司积极对各项风险类别进行企业层面的压力测试,使我们能够更好地了解公司在特殊事件和环境下可能会面临的潜在影响,从而更好地防范和缓解这些风险。

RISK MANAGEMENT

风险管理

市场风险管理及风险值分析

在市场风险管理方面，风险管理部门负责监控和分析公司的供应和贸易活动，保持一个全面的风险控制记录，并且每日向管理层和业务相关方进行汇报。

公司继续以市场风险值 (MVaR) 作为衡量市场风险的基本工具。所有实货合约和金融衍生品合约都受市场风险值限额管理，且公司每日跟踪持仓价值的变化。董事会授权的一系列市场风险限额，如数量限额、风险值限额、管理层预警限额、止损限额和套期保值比率也在每日跟踪范围内，定期的回溯测试则可以确保我们风险值模型的合适性。

作为对市场风险限额的补充，公司风险管理部会定期对公司的贸易持仓进行市场压力测试。利用历史数据库中的特殊历史场景，我们能够及时地模拟出公司最近的贸易持仓在极端市场环境下可能受到的影响。2024年，公司共进行了四次压力测试，包括俄乌冲突场景，以协助公司对其业务活动有及时和深入的了解，在必要时采取风险缓解措施。

尽管市场波动很大，公司的风险偏好始终保持严谨和审慎。根据95%置信区间，公司层面的每日市场风险值使用率基本保持平稳，2024年公司层面的每日市场风险值平均使用额度约100万美元。

2024年我们继续严格按照董事会批准的套期保值业务管理方案进行衍生品业务，一切衍生品业务均以套期保值为目的，严格禁止衍生品业务投机行为。

信用风险管理及集中度分析

鉴于公司业务性质，信用风险是一项公司及子公司开展业务固有的且最显著的可衡量风险。

信用风险可分为信用违约风险、集中度风险和国

1. 信用违约风险是由于贸易对家无法全额偿还债务而造成损失的风险
2. 集中度风险是某个公司的一个或一组风险敞口带来的潜在损失对公司继续经营能力造成威胁的风险
3. 国家风险或主权风险是一个国家冻结外汇支付或不履行其债务而造成损失的风险

为了积极管理信用风险，我们通过观察其财务状况、运营和付款记录以及进行背景调查，对各贸易对家的信用状况做定期评估，根据所获得的信息授予对家合适的信用条款及限额。

鉴于近年经营环境波动性提升，地缘政治形势不确定，公司及子公司继续保持审慎的信用风险管理政策。信用风险管理的重点包括：

1. 为高风险的贸易对家或行业进行特别评估及深入研究，让公司及子公司能采取先发制人的风险缓解措施和行动，以避免潜在的信用损失事件发生；
2. 优化公司的贸易对家管理政策，成功提升公司及子公司对于贸易对家管理的效益。公司也进行了对家清理，完成了对于高风险对家信用条款和额度的收紧，提升公司及子公司贸易对家整体的信用质量；
3. 公司通过信用保险、银行信用证等有效缓解公司的信用风险敞口。

我们应收账款的集中度风险状况如下：

根据国家

截至2024年12月31日，根据公司对家的注册地，公司及子公司的信用敞口主要来自中国大陆 (50.39%)、新加坡 (32.29%) 和日本 (7.82%)，占总敞口的90.50%。

从整个财年来看，信用敞口主要来自中国大陆和新加坡。

根据内部信用评级

截至2024年12月31日，在内部信用评级方面，信用敞口主要来自于评级为B2 (35.86%)，B1 (33.53%) 和A2 (20.61%) 级别的贸易对家，占总应收款的约90%。基于信用证的应收款大约占了总应收款的31.65%。

截至2024年12月31日，公司及子公司对信用评级为A1，A2，B1和B2 (包括基于信用证的敞口) 类似于投资级别的对家占总敞口的93.32%。公司整体的对家应收款信用评级组合处于良好状态。

对其他类似于非投资级别信用评级的对家，公司授予他们的放帐额度有限，也会在必要时把付款条件设定为信用证或预付款。这有效地降低了公司及子公司的信用风险。

公司及子公司也在必要时增加自身资信或使用风险减缓工具，包括但不限于获取母公司担保、现金担保、投资级别银行开具的信用证以及合同中的抵销条款。有了这些强化措施，我们有能力更好地管理日常贸易活动带来的风险。

风险管理是公司业务战略和运营管理的核心部分。公司凭借其完善的风险管控体系，荣获了2024年新加坡企业大奖颁发的最佳风险管理金奖，彰显业界对我们有效风险管理实践的认可。公司仍致力于积极推进风险意识，并将不断加强风险管理程序和能力，以确保公司能够有效执行其战略并实现其战略目标，持续为股东创造价值。

COMPLIANCE AND INTERNAL AUDIT

合规与内审

To achieve good business performance and long-term sustainable growth of shareholder value, the Board of Directors of CAO and the Management are committed to promoting responsible business conduct, upholding high standards of oversight and accountability, and embedding integrity and ethics into the CAO Group's day-to-day operations.

OPERATING RESPONSIBLY

The Compliance Team of the Legal & Compliance Department is responsible for ensuring that the CAO Group adopts responsible business practices, mirroring our corporate values of excellence, innovation, diversity and integrity. This includes establishing policies, standard operating procedures ("SOPs") and appropriate oversight measures to facilitate an adequate and effective system of internal controls, as well as enhancing the CAO Group's corporate governance practices, financial performance and operational capabilities to better support the implementation and execution of CAO's business strategies.

Amid a complex and dynamic business environment and the evolving regulatory and compliance landscape, the CAO Group continues to focus on improving the effectiveness and robustness of its internal controls system, to effectively detect and/or prevent any non-compliant activity.

CAO's established system of compliance oversight is in line with the Committee of Sponsoring Organisations of the Treadway Commission framework. This ensures

a systematic and integrated approach to evaluate and improve the CAO Group's overall internal controls framework, including regular reviews of policies and SOPs relating to delegation of authority and hedging business policies undertaken during the year 2024 to augment and further reinforce its existing system of internal controls.

The CAO Group regularly reviews and identifies compliance risks relating to anti-trust/competition laws, anti-corruption laws, trade sanctions, occupational safety, health and environmental regulations, data protection laws, insider trading and fraud. By strengthening the implementation of internal policies, management directives and work processes, we seek to comply with applicable local and international trade legislations and regulations in regions where the CAO Group operates. These internal policies, management directives and work processes are reviewed on a regular basis to ensure they are updated to align with the evolving business landscape.

In 2024, the CAO Group has established and implemented a Compliance Management Policy which sets out the CAO Group's commitment to compliance management and defines the roles and responsibilities as well as the scope of CAO's "three lines of defence" in compliance management. This Compliance Management Policy encompasses key areas of compliance oversight, operational mechanisms for compliance management, and reporting procedures for significant compliance risk events. A comprehensive compliance management system has been implemented across the CAO Group, covering critical control areas such as oil trading, safety and environmental protection, product and service quality,



CAO's second on-site BCP and DRP drill since the onset of COVID-pandemic was held successfully in 2024.
公司于2024年圆满完成了疫情后的第二次灾备中心启动实地演练。

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labour and employment practices, finance and taxation, business collaborations, investments and mergers & acquisitions, data protection, as well as corporate governance and compliance.

In the increasingly complex and evolving global regulatory landscape, the CAO Group will continue to leverage risk intelligence tools to enable the CAO Group to conduct more rigorous counterparty screenings and ensure the vigilant monitoring of politically exposed persons, including those categorised as heightened risk entities.

The Legal & Compliance Department continues to work closely with the Risk Management Department to evaluate compliance-related requirements to integrate compliance with daily operations at the business level. In 2024, there were no reported incidents of any regulatory non-compliance and/or sanctions-related risks exposure.

PROTECTING THE INTEGRITY OF OUR BUSINESS

CAO implements a zero-tolerance policy against any form of corruption or bribery. In 2024, the CAO Group reviewed and updated several internal policies and procedures, and further enhanced its management of internal controls through refining its internal policies and standardising processes in areas such as chartering and vessel inspection management, hedging business management, counterparty management, internal meetings management, sustainability development, corporate governance, compliance management, investor relations, employee handbook, training management and fixed asset management as part of its efforts to promote sustainable business engagement with the CAO Group's stakeholders including employees, business partners, suppliers and shareholders, as well as detecting any irregularities in our businesses. CAO firmly believes these measures will further equip the CAO Group to effectively monitor and manage the risk of any occurrence of impropriety, such as acquiring benefits through unlawful means and other fraudulent activities.

To safeguard the integrity of our business, the CAO Group maintains a comprehensive business ethics and compliance-related programme to equip our employees with the relevant knowledge and competency to comply with regulatory and other compliance requirements in their work through mandatory web-based training courses. The Legal & Compliance Department arranges for all employees in the CAO Group to undergo annual mandatory e-learning courses covering a wide range of compliance and business ethics-related topics. In 2024, e-learning courses relating to Preventing Financial Crime, Data Privacy, Information security and Cyber Risk Awareness were conducted. During the year, the Legal &

Compliance Department also conducted in-house training courses covering topics relating to Fraud Control, Anti-corruption and CAO's General Mandate for Interested Person Transactions. In 2024, our CAO global workforce participated in a series of web-based compliance-related and business ethics-based training courses, with a completion rate of 95%. All employees of the CAO Group are also required to sign and submit a "Compliance Commitment Statement" on an annual basis. All employees of the CAO Group who undertake oil trading activities for and on behalf of the CAO Group, are also required to sign and submit a "Traders' Compliance Commitments Statement" on entry date as well as annually.

MAINTAINING VIGILANCE

CAO believes vigilance and incident prevention is the best safeguard against potential business disruptions. Recognising the importance of ensuring the efficacy of the CAO Group's resilience towards business disruptions from unplanned events, CAO has continued to validate its Business Continuity Plan ("BCP"). This plan integrates with the IT Disaster Recovery Plan ("DRP"), and the establishment of IT SOPs, guidelines, structure and support team members to ensure timely emergency escalation response, resumption and recovery of key business functions and data resources.

Taking into consideration the potential strategic, operational, financial and reputational exposure to the CAO Group in significant risk events, the CAO Group conducts a BCP and DRP simulation exercise annually to strengthen employees' readiness in responding to emergencies.

In 2024, the CAO Group conducted its second on-site BCP and DRP drill since the onset of COVID-pandemic, activating the disaster recovery centre, whereby the employees of foreign subsidiaries of the CAO Group also participated in the drill in their respective countries. This exercise elevated the awareness of handling unforeseen events, assessed the effectiveness of the business continuity plan, and strengthened employees' emergency response capabilities in the face of unexpected situations.

In addition to fulfilling its compliance monitoring responsibilities, the Legal & Compliance Department also works closely with the Company's outsourced internal auditors in relation to the annual internal audit activities as well as ensuring an independent assessment on the adequacy and effectiveness of control measures and governance processes of the CAO Group. This would ensure that suitable control measures are in place to adequately address significant risks in its global business environment.

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COMMITMENT TO RESPONSIBLE BUSINESS PRACTICES

对商业操守的承诺



An annual internal audit plan is submitted to the Audit Committee for approval, which internal audit work would be carried out by the outsourced internal auditors of CAO. This internal audit plan includes amongst others, an evaluation of the CAO Group's internal control system and an independent review on the overall effectiveness of the CAO Group's business operations. Internal audit reports focus on significant audit issues and internal control deficiencies that could adversely impact the CAO Group's operational efficiency and are submitted to the Audit Committee and the Board of Directors biannually. The Legal and Compliance Department ensures that relevant departments implement appropriate corrective measures based on audit recommendations within the prescribed timelines, continuously enhancing corporate governance effectiveness and improving the CAO Group's internal controls system.

To demonstrate CAO's unwavering commitment to accountability and integrity in its business practices, the Compliance Team of the Legal & Compliance Department worked closely with the outsourced internal auditors. In 2024, through a 'Quality Assurance and Improvement Programme' based on the Standards for the Professional Practice for Internal Auditing as set by The Institute of Internal Auditors, the effectiveness and quality of the

outsourced internal audit work are assessed by collating feedback from key stakeholders via a questionnaire, on the quality of internal audit work and suggested areas of improvements.

It is imperative for CAO to conduct its business activities in compliance with relevant laws and regulatory requirements. To combat fraud, corruption and unethical behaviour, along with fostering an open and honest corporate culture, CAO has established and implemented the CAO Whistleblowing Policy. This policy provides clear guidelines on the CAO Group's measures and stance on whistleblowing and how whistle-blowers can raise serious concerns of allegations of wrongdoing, as well as explicit indications of what might be considered "reportable concerns". Under the CAO Whistleblowing Policy, whistle-blowers may report any reportable concerns on any forms of misconduct affecting the CAO Group, its customers, suppliers or other stakeholders. This can be done without fear of reprisal, dismissal or discriminatory treatment, via the following dedicated email addresses: whistle_blowing@caosco.com or auditcommittee_whistleblowing@caosco.com.

There were no "reportable concerns" received by the Company during the financial year.

COMPLIANCE AND INTERNAL AUDIT

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为实现良好的经营业绩和股东价值的长期可持续增长，中国航油新加坡公司的董事会和管理层一直致力于推行尽责的经营管理模式，旨在践行高标准的监督和问责制度，并积极将企业诚信和商业道德融入日常经营之中。

践行负责任的经营管理

法律合规部合规团队负责确保公司及子公司以尽责的商业实践开展业务，充分体现我们的企业核心价值观——卓越、创新、多元和诚信。公司制定了管理制度、标准操作流程和充分有效的监管措施来强化内部控制的有效性，提升公司治理水平、财务业绩以及业务运营能力，以支持公司业务策略的落实。

在复杂多变的商业环境中，监管及合规要求不断变化，公司及子公司面临的挑战持续升级。公司通过强化内部控制，提升运营程序和系统的有效性和可靠性，以有效预防和发现任何违规行为。

公司建立的合规监督体系符合内部控制框架（简称“COSO”），能有效确保以系统性及综合性的方式来评估和改进公司及子公司的总体内控框架，包括在2024年里定期审查涵盖授权审批和套期保值业务管理的相关制度和标准操作流程，进一步提升并强化了公司现有的内控系统。

公司及子公司定期审查并识别潜在的合规风险，如反垄断和竞争法、反腐败法、贸易制裁、职业安全、健康和环境法规、数据保护、内幕交易和欺诈行为。公司通过强化内部制度、管理指令和工作流程的执行，确保公司的操作符合经营环境适用的当地和国际贸易法律法规。公司也会定期审核上述内部制度、管理指令和工作流程，确保适时更新以适用于不断发展的商业环境。

2024年，公司及子公司制定并实施了《合规管理办法》，制度阐明了公司对合规管理的承诺，定义了合规管理“三道防线”的角色、职责和范围。该制度明确了合规监督的关键领域、合规管理的运作机制以及重大合规风险事件的报告程序等。公司已实施全面的合规管理体系，涵盖石油贸易、安全环保、产品和服务质量、劳动和就业实践、财务和税收、业务合作、投资和并购、信息保护以及公司治理和合规等关键控制领域。

在日益复杂和不断变化的全球监管环境中，公司将继续借助风险监测工具，有效地开展更严格的贸易对家风险排查，同时密切监控政治公众人物及高风险实体。

法律合规部与风险管理团队继续紧密合作，一同开展合规性评估并着重将业务合规贯彻到日常业务与运营之中。2024年，公司未发生任何不合规事件和/或涉及制裁的风险事项。



To foster a thriving workplace with shared values, regular compliance trainings are provided for CAO staff. 为了营造一个具备共同价值观且以成长为导向的工作场所，公司会定期为员工提供合规方面的培训。

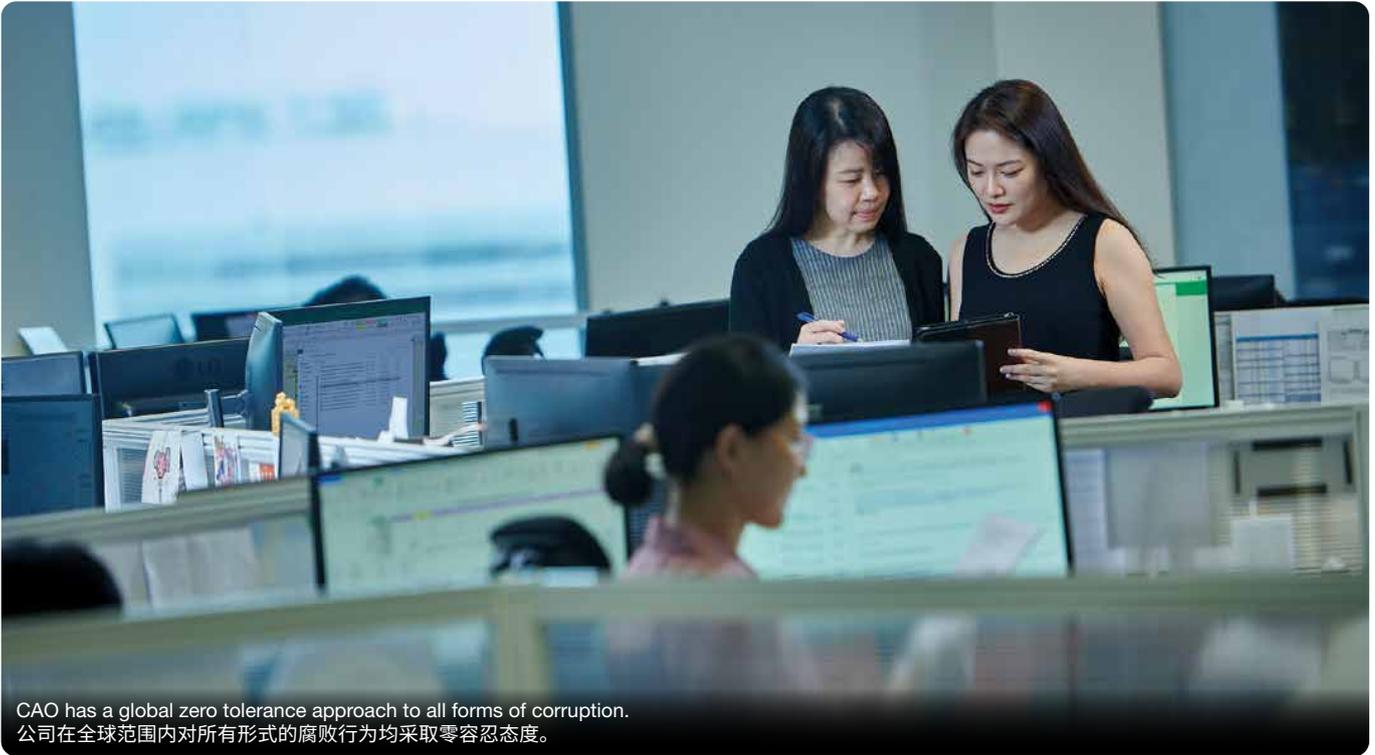
维护企业诚信

公司对任何形式的腐败或贿赂实行零容忍政策。2024年，公司及子公司重检和更新了多项内部规章制度，通过完善有关租船及船舶检验管理、套期保值业务管理、交易对家管理、内部会议管理、可持续发展、公司治理、合规管理、投资者关系管理、员工手册、培训管理和固定资产管理等领域的内部制度和流程规范，进一步加强了公司的内控体系以促进公司与员工、业务伙伴、供应商和股东等利益相关方之间的可持续业务合作关系，同时积极排查公司业务中可能出现的任何违规行为。公司坚信，这些措施有助于公司进一步有效监控和管理任何不当行为的风险，如收取好处费等违法的利益输送行为和其他欺诈行为。

在维护企业诚信方面，公司及子公司制定了全面的商业道德与合规管理方案，通过强制性的线上培训课程，让我们的员工具备相关知识和技能以确保其工作开展符合监管和合规要求。法律合规部也组织公司员工参与线上学习课程，其内容涵盖广泛的合规和商业道德相关培训课题；本年培训课题包括防范金融犯罪、数据隐私、信息安全和网络风险意识等。法律合规部还在2024年为全体员工提供了内部培训课程，内容涉及反欺诈、反腐败和关联方交易总体授权等。2024年，公司分布在全球各地的员工参加了一系列线上合规和商业道德培训课程，完成率高达95%。公司及子公司全员也须完成年度《合规承诺书》的签署。所有代表公司及子公司进行油品贸易的员工也须在入职时提交《贸易员合规承诺书》并每年签署确认。

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CAO has a global zero tolerance approach to all forms of corruption.
 公司在全球范围内对所有形式的腐败行为均采取零容忍态度。

保持谨慎

公司坚信，时刻保持谨慎和实施完善的防范措施是防止出现业务中断的最佳保障。我们也认识到确保公司应对意外事件造成业务中断而迅速恢复运营的效率对公司至关重要。因此，公司一贯执行业务持续计划（简称“BCP”）。该计划与信息系统灾难恢复计划（简称“DRP”）以及相关的科技信息标准操作流程、制度指引和应急处理组织架构相结合，以确保公司具备紧急上报响应程序、及时重启关键业务部门和复原数据资源的能力。

鉴于重大风险事件对公司的战略、运营、财务和声誉造成的潜在影响，公司每年均安排一次BCP和DRP模拟演习，借此加强公司员工应对紧急事件的能力。公司于2024年开展了疫情后的第二次灾备中心启动实地演练，公司分布在全球各地的子公司员工也同时参与。借助此次演练，提高了公司及子公司应对突发事件的风险意识，检验了业务持续计划效果，增强了员工对于突发事件的应急反应能力。

此外，法律合规部在履行合规监督职责的同时，还与公司外包的内部审计师密切合作，开展年度内部审计工作，并确保对公司管控措施和治理流程的充分性和有效性进行独立评估。此举旨在确保建立适当的控制措施，以充分应对全球业务环境中的重大风险。

年度内部审计计划需提交审计委员会审批，相关内部审计工作由公司外包的内部审计师执行。该计划涵盖对公司内部控制系统的评估，以及对业务经营整体有效性的独立审

查。内部审计报告重点关注可能对公司运营效率产生不利影响的重要审计问题和内部管控缺陷，并于每半年提交审计委员会和董事会。法律合规部负责督促相关责任部门根据审计建议在规定时限内落实适当的整改措施，持续提升公司治理效能，并优化内部控制体系。

为体现公司在业务实践中对责任和诚信的坚定承诺，法律合规部的合规团队与公司外包内审机构紧密合作。在2024年，通过基于国际内部审计师协会（IIA）制定的《内部审计专业实践标准》的“质量保证和改进计划”，对外包内审机构的审计工作的有效性与质量进行评估。该评估以问卷调查形式收集了主要利益相关方的反馈，评价内部审计工作的质量，并识别可改进的领域。

中国航油新加坡公司坚持在合法合规的前提下开展业务。为了进一步防范欺诈、腐败和非道德行为，同时培育一个开诚布公的企业文化，我们制定并执行了公司举报政策。该举报政策提供了明确的举报措施与立场指引，以及举报者对不当行为可采取的举报途径等。此外，该举报政策也明确地指出可被视为“应举报事项”的行为类型。举报者可通过专属的电子邮件地址：whistle_blowing@caosco.com 或 auditcommittee_whistleblowing@caosco.com，举报任何会影响公司及其客户、供应商和其他利益相关方的违法违规事项，并无需担心遭到报复、解雇或歧视。

本财年，公司未收到任何可视为“应举报事项”的不当行为举报。

HUMAN CAPITAL MANAGEMENT

人才资源管理

We believe that sustainable corporate growth goes beyond technological innovation and strong market positioning—it relies on a highly skilled workforce and a thriving corporate culture. With this in mind, we made significant progress in key areas such as talent development, employee well-being, and digital compliance in 2024, taking bold steps to shape the future and drive industry transformation.

TALENT MANAGEMENT AND CAREER DEVELOPMENT

To further incentivise excellence and retain talent, we introduced a detailed trade bonus implementation scheme to enhance our performance-based incentive mechanisms through realigning key positions with role significance, competencies, and performance contributions, thereby reinforcing positive motivation for key talent. Additionally, we developed a tenure-based incentive management framework to establish a long-term incentive and accountability mechanism for senior management personnel.

In 2024, we further reinforced our commitment to building a strong talent pool with expertise in trade, aviation marketing, and risk management. A structured training programme was established, enabling key personnel

from subsidiaries to participate in periodic training at the Singapore headquarters, ensuring that the Company and its subsidiaries remain aligned in terms of corporate governance standards and best practices.

In line with our strategic talent selection and development objectives, we implemented employee promotion guidelines in 2024, which prioritised career advancement, facilitated the identification of outstanding employees, and built a high-quality talent pipeline that aligned with our corporate strategy.

INTERNATIONAL TALENT TRAINING CENTRE

Since its official launch in 2023, the International Talent Training Centre has expanded global partnerships, improved course offerings, upgraded digital learning platforms, and diversified training formats to cultivate top-tier global talent. By the end of 2024, we had conducted nearly 10 international learning exchange sessions, covering key topics such as international trade operations, financial derivatives, risk management, and regulatory compliance. Additionally, we organised internal knowledge-sharing sessions, partnered external institutions, and facilitated online compliance training and assessments, achieving a cumulative attendance of 1,167 participants and a total training duration of 1,856 hours. Looking ahead to 2025,



The spirit of camaraderie was further strengthened among the CAO staff through the Company's annual Dragon Boat Race. 公司组织的年度端午龙舟赛有助于进一步加强员工之间的团结友爱精神。

HUMAN CAPITAL MANAGEMENT

人力资源管理



the centre will continue to enhance talent development, and further strengthen our capabilities to compete and operate in the global market.

EMPLOYEE WELL-BEING AND WORKPLACE HEALTH

Our commitment to employee well-being remains a core pillar of our corporate philosophy which is to foster a healthy and sustainable work environment. In 2024, in line with Singapore's government initiatives, we further enhanced our benefits programme and introduced flexible work arrangements to support a better work-life balance for the employees as well as enhanced the Company's ability to attract talent. The new policy provides flexibility in work time, location, and workload, enabling employees to plan their work arrangements that balance personal well-being and productivity. This approach empowers employees with greater autonomy while fostering collaboration and innovation. The Company will continue to refine the policy based on employee feedback to build a healthier, more efficient work environment that supports sustainable long-term growth.

Additionally, the Company also expanded its mental health support and reinforced workplace health and safety

awareness through internal knowledge-sharing sessions. These sessions covered essential topics such as nutrition, stress management, fire evacuation protocols, and best practices for handling workplace injuries. The Company is proud to have maintained a zero-injury record throughout the year. By fostering a positive corporate culture through diverse team-building activities and career development initiatives, we continue to strengthen employee satisfaction and foster a stronger sense of belonging.

PDPA COMPLIANCE

To facilitate the seamless implementation of our digital infrastructure initiatives, all subsidiaries undertook a comprehensive update and enhancement of their personal data protection policies in 2024. Employees actively participated in training on the revised policies and completed compliance acknowledgments, fostering a culture of accountability and alignment with global data protection standards. By embedding privacy protection into our digitalisation efforts, we established a robust compliance framework that underpins sustainable growth. Moving forward, the Company seeks to further update relevant policies by 2025 to strengthen data protection and digital collaboration, augmenting our global business operations.

HUMAN CAPITAL MANAGEMENT

人才资源管理

我们深知，企业的可持续发展不仅依赖于创新的技术和稳健的市场布局，更离不开高素质人才的支撑和健康的企业文化。故此，过去一年，我们在人才管理、员工福祉、数字合规等关键领域都取得了显著进展，积极迈出建设未来、引领行业的新步伐。

人才管理与职业发展

为进一步激励和留住优秀员工，公司制定了贸易奖金实施细则，通过完善对关键岗位人才岗位价值、能力素质、业绩贡献匹配的分配体系，强化以业绩为基础的激励机制，从而实现对关键岗位人才的正向激励。此外，为建立完善的经理层成员的长效激励约束机制，公司也出台了经理层成员的任期激励管理实施细则。

2024年，公司也进一步强化了关键岗位人才队伍的建设，配齐配强贸易、航空市场营销及风险管理人员。公司也制定了结构化的培训计划，安排子公司的关键岗位人员定期到新加坡总部公司进行培训，确保公司与子公司在企业治理标准和最佳实践方面均保持一致。

根据公司的人才战略选拔和发展目标，公司于2024年出台了员工职位晋升管理办法，完善职业晋升途径机制，促进优秀人才脱颖而出，同时搭建符合公司发展战略的高素质人才梯队。

国际化人才培养中心

自2023年正式投运以来，公司国际化人才培养中心深化国际合作，优化课程体系，升级数字化学习平台，推行多元化培训方式，助力全球核心人才培养。截至2024年末，已开展近10期国际学习交流互动，聚焦国际贸易运作、金融衍生业务及风险防控、合规管理等领域。对内组织开展知识分

享、外部专业机构课程、线上合规培训与测试等，累计参训1,167人次，累计参加时长1,856小时。展望2025，培训中心将持续推动国际化人才培养，为公司全球发展赋能。

员工职场健康与福祉

公司始终关注员工福祉，致力于打造健康、可持续的工作环境。2024年，公司积极响应新加坡政府号召，进一步优化其福利体系，推行灵活办公模式以提升工作与生活平衡，增强企业对人才的吸引。新政策涵盖弹性工时、远程办公和灵活工作量模式，员工可结合个人需求合理安排办公方式，提高工作效率并增强归属感。灵活办公模式促进团队协作与创新，提升员工自主性与生产力。未来，公司将持续完善该机制，结合员工反馈优化政策，打造健康高效的工作环境，推动企业可持续发展。

与此同时，公司也通过内部知识分享，从健康饮食、管理压力、火警疏散，以及应对工伤事故注意事项等方面提升全员在工作场所安全与健康意识，加强心理健康支持。2024年，公司继续保持了零工伤记录。通过多元化的团队建设活动与职业发展支持，公司不断提升员工满意度与归属感，营造积极向上的企业文化。

遵守个人资料保护法令

为确保数字底座项目的顺利实施，各子公司于2024年全面更新并完善了个人资料保护政策，并积极组织员工学习政策内容并完成签署，构建职场问责文化的同时，也将公司的信息保护水平提升至全球数据保护标准。公司的数字化进程与隐私保护实现了深度融合，搭建了一个完善的合规框架，为企业的可持续发展奠定了坚实基础。公司也计划于2025年完成政策更新，进一步提升数据保护与数字化协同的能力，助力全球范围内业务的稳健发展。



CAO staff bonding over a great workout.
员工通过体能锻炼增进彼此之间的感情。

COMMUNITY ENGAGEMENT

投身社会公益

Committed to CAO's sustainability strategy and its vision of upholding responsible energy business practices, CAO has always considered fulfilling our corporate social responsibility ("CSR") as an inalienable component of our sustainable business practices. In addition to upholding the highest standards of corporate governance, the CAO Group continues to seek a balance between driving profits growth and corporate social responsibility, to contribute positively to the communities it operates in.

CARING FOR THE VULNERABLE

Singapore has one of the world's fastest-aging populations, and a key predicament is the sense of loneliness and vulnerability felt by elderly people in elder care institutions.

On 10 May 2024, CAO staff volunteers and Management visited 64 elderly residents at Kwong Wai Shiu Hospital ("KWSH") in an effort to bring warmth and joy to this fragile population of our elders. Meaningful connections were made that day as volunteers grouped in twos and threes to engage the elderly in conversations and games. Singing performances were also put up by the volunteers to brighten the atmosphere. With Mothers' Day just around the corner, the volunteers concluded the visitation by presenting the elderly with roses made from hand towels along with goodie bags containing healthy snacks and daily necessities, sending them off with best wishes.

Besides caring for the elderly, the Company has also been actively supporting the underprivileged children from Singapore's Bukit Merah and Redhill neighbourhood since 2010 through our partnership with Beyond Social Services' pre-school facility—Healthy Start Child Development Centre ("HSCDC"). In 2024, the Company continued to provide daily necessities for the underprivileged children and their families, as well as school supplies for the graduating kindergarten class.

To amplify our social responsibility efforts as well as to foster a more caring and inclusive society, the Company participated in the SGX Cares Bull Charge Charity Run in November 2024 to help raise funds for SGX Cares Beneficiaries, namely AWWA Ltd., Autism Association (Singapore), Fei Yue Community Services, HCSA Community Services and Shared Services for Charities. In total, the SGX Cares Bull Charge Charity Run raised over S\$2.25 million in 2024.

With a strong desire to contribute back to the communities we operate in, our CSR initiatives are not just limited to Singapore. Employees of our Hong Kong subsidiary, CAO HK, celebrated the Winter Solstice—which symbolises reunion and harmony—by participating in a community outreach event organised by the Committee on Aviation of Hong Kong Chinese Enterprises Association ("Committee on Aviation") in January 2024, delivering care packs and well-wishes to needy residents living in the Islands District.



CAO staff volunteers and Management visited 64 elderly residents at Kwong Wai Shiu Hospital in an effort to bring warmth and joy to the elderly. 公司志愿者在管理层的带领下, 探访了64位在广惠肇留医院疗养的长者, 为年老者送上满满关爱与温暖。

COMMUNITY ENGAGEMENT

投身社会公益



CAO organised a mangrove-planting activity in partnership with NParks in 2024.
公司联合新加坡国家公园局于2024年在乌敏岛组织了一场植树活动。

On 12 May 2024, CAO HK had once again partnered with the Committee on Aviation to deliver Mothers' Day goodie bags to the communities living in the Islands District.

The CAO Group seeks to forge deeper and more meaningful connections with the local communities through regular interactions, to proactively give back to the communities and contribute to the well-being of the local residents, fulfil our corporate social responsibilities, and improve the Company's corporate image.

STRENGTHENING ENVIRONMENTAL PROTECTION

As part of our ongoing efforts to promote environmental sustainability and to support the Singapore Government's green initiatives, CAO organised a mangrove-planting activity at Pulau Ubin on 11 November 2024 in partnership with National Parks Board ("NParks"). This activity was part of NParks' OneMillionTrees movement.

A total of 50 mangrove saplings were planted at Pulau Ubin to enhance natural protection along the shoreline, provide critical habitat for flora and fauna, improve water quality and safeguard the marine ecosystem. In addition, mangroves play an important role in mitigating climate change as they are more effective in reducing greenhouse gas emissions and may store three to five times more carbon per acre than tropical forests.

Recognising how a potential oil spill would have severe environmental damage and adverse social impact on the local economies and marine life in general, the CAO Group employs robust risk management processes to mitigate



Staff from CAO and NAFCO participated in a training exercise in Alaska to better handle potential emergencies.
公司及所属北美公司的员工参加了阿拉斯加州的培训演练以提升自身对潜在事故的应对能力。

the risks of oil spills. Staff representatives from CAO and NAFCO participated in an oil spill prevention and response training exercise in Cook Inlet, Alaska in August 2024. Through this exercise, the employees are better equipped to handle such potential emergencies, demonstrating the CAO Group's strong commitment in upholding its social responsibility, especially in environmental protection.

Moving forward, the CAO Group remains committed to upholding responsible energy business practices. We will continue to drive CSR-related initiatives which forms a key pillar of our ESG strategies, to provide care and protection for the disadvantaged groups in the communities we operate in, as well as the natural environment, so as to better contribute to the well-being of the locals through our actions and dedication.

COMMUNITY ENGAGEMENT

投身社会公益



致力于公司的可持续发展战略以及秉持“负责任的能源商业实践”的愿景，中国航油新加坡公司一直将履行其企业社会责任作为我们ESG工作体系的重要组成部分。除了践行最高标准的公司治理之外，中国航油新加坡公司也不断寻求经济目标与环境和社会福祉之间的平衡，进而为公司所在社区做出积极贡献。

关爱弱势群体

新加坡是世界上人口老龄化速度最快的国家之一，而那些长期居住在养老院的年老者的孤独感和无助感是老龄化过程中较为关键的问题。

2024年5月10日，公司志愿者在管理层的带领下，探访了64位在广惠肇留医院疗养的长者，为这群弱势群体送上满满关爱与温暖。公司志愿者以两三人一组的形式与广惠肇留医院的年老者进行互动。志愿者与长者一起游戏、谈心，登台表演曲艺节目；配合母亲节的到来，志愿者在活动结束时为长者献上玫瑰花造型手巾以及装有健康食品和日用品的爱心礼包，为他们送去最诚挚的祝福和问候。

除了关爱年老者，公司自2010年起就与志愿福利团体彼岸社会服务合作，为其下属学前儿童分支机构健康起点儿童发展中心（简称“健康起点中心”）提供各项援助。2024年，公司继续为这些贫困儿童及其家庭提供日常必需品，并为毕业班级的孩童提供升学礼包，以实际行动造福来自新加坡红山一带的弱势儿童。

为了进一步扩大其对社会的积极影响，同时创建一个更具爱心与包容性的社会，公司参加了于2024年11月举办的新交所牛市慈善义跑。该慈善义跑所筹善款将赠与新交所关爱计划下的受益团体，即亚洲妇女福利协会、新加坡自闭症协会、飞跃社区服务、高峰社会服务协会以及慈善共享服务组织。2024年，新交所通过该慈善义跑共筹集了逾225万新元善款。

公司致力于回馈公司运营所在地的社区，旗下的企业社会责任相关项目自然也不仅局限在新加坡。2024年1月份，香港公司志愿者出席了由香港中国企业协会下属航空业委员会举办的“中企关爱冬至送福进社区”活动，在离岛区

为有需要的基层市民送上爱心礼包和节日祝福。冬至象征着合家团圆，在此特别佳节与社区市民共融欢庆，更具意义。

2024年5月12日，香港公司志愿者再次参加由航空业委员会举办的“孝之以礼 致爱母亲”活动，为离岛区的市民分发母亲节礼包。

中国航油新加坡公司及旗下子公司力求通过与当地社区的定期互动，建立更深厚、更具意义的联系，积极回馈社会、回馈当地公民福祉，履行企业公民责任，提升公司的良好形象。

加强环境保护

公司一向致力于提倡环境的可持续性，为了响应新加坡政府的绿色举措，公司联合新加坡国家公园局于2024年11月11日在乌敏岛组织了一场植树活动，积极参与到新加坡推出的“百万树木活动”。

公司此次种植的50棵红树树苗不但能有效加强防护乌敏岛的海岸线、为动植物提供栖息地，也有助于改善水质，保护海洋生态环境。除此之外，相比于热带雨林，红树林能更有效地减少温室气体排放，其碳储量是热带雨林的三至五倍，为抵御气候变化作出了重要贡献。

公司也深刻意识到任何潜在溢油事故将对当地经济和海洋生态造成极为严重且深远的环境和社会影响。故此，公司及子公司实施了完善的风险管理措施来预防溢油事故的发生。公司及所属北美公司的员工代表于2024年8月参加了阿拉斯加州库克海湾的溢油预防与漏油应急演练。员工通过此次演习不但提升了自身对潜在溢油事故的应对能力，也体现了公司在履行社会责任，尤其是环境保护方面的决心与担当。

展望未来，公司及子公司将坚定地履行“负责任的能源商业实践”，这份责任代表着我们会继续将CSR活动作为公司高标准ESG体系的重要一环，持续为所在社区的弱势群体、自然环境提供更多的关爱和保护，以实际行动和全情付出为当地社会的福祉做出更多的贡献。

CORPORATE GOVERNANCE AT A GLANCE

公司治理简介

Express Disclosure Requirements – Principles and Provisions of the 2018 Code	How has the Company complied?
General	
Description of the corporate governance practices of the Company with reference to both the Principles and Provisions, and how the Company's practices conform with the Principles. Variations from Provisions are acceptable to the extent that the Company explicitly states and explains its practices are consistent with the aim and philosophy of the Principle in question	Yes. Refer to page 79
Provision 1.2	
The induction, training and development provided to new and existing Directors	Refer to pages 83-84
Provision 1.3	
Matters that require Board approval	Refer to page 80
Provision 1.4	
Names of the members of the Board Committees, the terms of reference of the Board Committees, any delegation of the Board's authority to make decisions and a summary of each Board Committee's activities	Refer to pages 87, 90, 93, 96 & 99
Provision 1.5	
The number of meetings of the Board and Board Committees held in the year as well as attendance of every Board member at these meetings	Refer to page 83
Provision 2.4	
The board diversity policy and progress made towards implementing the board diversity policy	Refer to pages 80-82
Provision 4.3	
Process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates	Refer to page 87
Provision 4.4	
Where the Board considers a Director to be independent in spite of the existence of a relationship which may affect his or her independence, the nature of the Director's relationship and the reasons for considering him or her as independent should be disclosed	None
Provision 4.5	
The listed company directorships and principal commitments of each Director, and where a Director holds a significant number of such directorships and commitments, the Nominating Committee's and Board's reasoned assessment of the ability of the Director to diligently discharge his or her duties are disclosed	Refer to pages 87-88
Provision 5.2	
How the assessments of the Board, its Board Committees and each Director have been conducted, including the identity of any external facilitator or its connection, if any, with the Company or any of its Directors	Refer to pages 88-89

CORPORATE GOVERNANCE AT A GLANCE

公司治理简介

Express Disclosure Requirements – Principles and Provisions of the 2018 Code	How has the Company complied?
Provision 6.4	
The Company discloses the engagement of any remuneration consultants and their independence	Refer to page 90
Provision 8	
Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration, and the relationship between the remuneration, performance and value creation	Refer to pages 90-92
Provision 8.1	
The Company discloses the policy and criteria for setting remuneration, as well as names, amounts and breakdowns of remuneration of:	Refer to pages 90-92
(a) each individual director and the CEO; and	
(b) at least the top five KMP (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these KMP	
Provision 8.2	
Names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during the year, in bands no wider than S\$100,000. The disclosure states clearly the employee's relationship with the relevant Director or the CEO or substantial shareholder	None. Refer to page 91
Provision 8.3	
The Company discloses all forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and KMP of the Company, and also discloses details of employee share schemes	Refer to pages 91-92
Provision 9.2	
Whether the Board has received assurance from (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the CEO and other KMP who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems	Refer to page 96
Provision 11.3	
Directors' attendance at general meetings of the shareholders held during the financial year	Refer to pages 101-102
Provision 12.1	
The steps taken to solicit and understand the views of the shareholders	Refer to pages 101-102
Provision 13.2	
The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period	Refer to pages 100-102

STATEMENT OF CORPORATE GOVERNANCE

公司治理报告

Despite ongoing geopolitical and macroeconomic uncertainties and an increasingly challenging business operating environment in 2024, the Board of Directors (the “**Board**”) and Management remained firmly committed to maintaining high standards of corporate governance in ensuring the continuous and sustainable growth and development of China Aviation Oil (Singapore) Corporation Ltd (“**CAO**” or the “**Company**”). To demonstrate its commitment towards excellence in corporate governance, the Company continues to embrace the Company’s operating philosophy of “Compliance as Top Priority (合规第一), Risk Management of Utmost Importance (风控至上) and our management philosophy of “Transparency, Standardisation and Refinement”. We strive to surpass the requirements of openness, integrity and accountability prescribed by the Listing Manual of the Singapore Exchange Securities Trading Limited (the “**SGX-ST Listing Manual**”) and the Code of Corporate Governance 2018 (the “**2018 Code**”). Good corporate governance practices are embedded in our corporate culture and business practices of the CAO group (the “**CAO Group**”) which we strongly believe will ensure the continued strong performance of our businesses and maintaining investor confidence which underpin the sustainable growth of our businesses and long-term value to all stakeholders.

The CAO Corporate Governance Policy of the Company has been devised in accordance with the principles and guidelines set out in the 2018 Code (the “**CAO Corporate Governance Policy**”). Ongoing concerted efforts have been made by relevant departments mandated with the responsibility to oversee the adoption of the CAO Governance Policy in their practices, processes and operations. The corporate governance practices of the CAO Group and the CAO Corporate Governance Policy are reviewed regularly and are continually fine-tuned and enhanced to ensure that they remain relevant and effective in light of the changing legal and regulatory requirements and volatilities of the trading business and operating environment.

We confirm that throughout the financial year ended 31 December 2024 and at the date of issue of this Statement of Corporate Governance, the Company is in substantial compliance with the provisions of, and applied the principles set out in the 2018 Code.

With the view to preserving and growing shareholder value through strong and effective corporate governance, the Board has put in place a set of well-defined and sound systems of internal controls and processes which the Company voluntarily subjects them to annual review by an independent third party consultant.

This report primarily describes the Company’s corporate governance practices for the financial year ended 31 December 2024 with specific reference to the 2018 Code and details how we apply the principles and comply with the provisions of the 2018 Code. Our compliance with the principles and guidelines of the 2018 Code and a checklist cross-referencing these principles and guidelines, are outlined under “Corporate Governance at a Glance” of the Company’s Annual Report 2024.

This report has been reviewed and approved by the Board of the Company.

(A) BOARD MATTERS

The Board’s Conduct of its Affairs

Role of the Board: The Board has overall responsibility for the long-term success of the Company and its value creation. Beyond carrying out its statutory duties, the Board also:

- provides entrepreneurial leadership, set strategic objectives, and ensure that the necessary financial and human resources are in place for the Company to meet its objectives;
- sets the Company’s values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders of the Company are understood and met;
- establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding of the interests of shareholders of the Company and the Company’s assets;
- ensures compliance with all applicable laws, regulations, policies, directives, guidelines and internal codes of conduct by the Company, its subsidiaries and associated companies over which the Company has control (the “**CAO Group**”) and their respective management.
- ensures accurate, adequate and timely reporting to, and communication with the shareholders of the Company;
- considers sustainability issues, e.g. environmental and social factors, as part of its strategic formulation;
- identifies the key stakeholder groups and recognises that their perceptions affect the Company’s reputation; and
- reviews Management performance.

STATEMENT OF CORPORATE GOVERNANCE

公司治理报告

All members of the Board are aware of their responsibility to take decisions objectively which promote the success of the CAO Group for the benefit of shareholders.

During the year under review, the Board had reviewed and revised its Terms of Reference to ensure the continued efficient discharge of its responsibilities. Amendments to the Terms of Reference of the Board largely comprised additional list of matters requiring Board's review and approval and these included (a) requiring the Board when reviewing and approving the Company's strategic plans, to take into consideration sustainability issues in the formulation of the Company's strategies as well as integrate climate change-related matters into decision making, etc.; (b) requiring the Board to review and approve the recommendations of the Risk Management Committee on the traders' mandate relating to physical commodities, commodity derivatives (such as daily transaction volumes and hedging instruments) and any amendments thereof; and (c) requiring the Board to review and approve the recommendations of the Risk Management Committee on the list of physical and paper brokers (including any amendments thereof).

The Terms of Reference of the Board sets forth the matters reserved for the Board's decisions, and provides clear directions to Management on matters that must be reviewed and approved by the Board. In addition, Management has the responsibility for overseeing the implementation by the CAO Group's operating subsidiaries of the policies and strategy set by the Board, and for creating the framework for their successful day-to-day operations.

Some of the matters specifically reserved for the Board's review and approval include:

- (a) the Company's corporate strategies and directions, shareholding structures and corporate governance matters;
- (b) all significant investments of the CAO Group (i.e. transactions with an estimated investment value of US\$30 million and above) and all material dispositions of assets of the CAO Group;
- (c) the annual budgets and operating plans;
- (d) the adequacy and integrity of the Company's internal controls, risk management systems, financial reporting systems and monitoring the performance of the CAO Group and the Management;
- (e) dividend distributions;
- (f) any appointment, re-appointment or removal of Chairman of the Board;
- (g) nominations of suitable candidates to the Board of Directors and key management personnel ("**KMP**"); and
- (h) remuneration-related matters such as the framework and policies for determining the remuneration for Non-Executive Directors and the remuneration for Executive Directors and KMP.

Apart from matters specifically reserved for Board's consideration and decision, the Board will approve transactions exceeding certain threshold limits, whilst delegating authority for transactions below those limits to Board Committees and the Management for approval.

Composition of the Board: At the date of issue of this Statement of Corporate Governance, the Board comprises seven (7) Non-Executive Directors and two (2) Executive Directors. All Independent Directors as well as those nominated by the two (2) major shareholders, namely China National Aviation Fuel Group Limited ("**CNAF**") and BP Investments Asia Limited ("**BP**"), were appointed on the strength of their expertise, experience and stature.

The Board is composed of members who are diverse in terms of education, skills, regional and industry experience, geographical origin, interpersonal skills, race, gender and age. Details including the academic and professional qualifications and major appointments of each Director are provided under the "Board of Directors" section of this Annual Report.

Board Diversity Policy: The Company adopted a revised Board Diversity Policy in 2022 which incorporated the requirements under Rule 710A of the SGX-ST Listing Manual, that address gender, skills and experience and any other relevant aspects of Board diversity (the "**CAO Board Diversity Policy**").

STATEMENT OF CORPORATE GOVERNANCE

公司治理报告

Board Diversity Matrix (As of March 2025)



The Company recognises and embraces the benefits of having an appropriate level of diversity in the Board and views diversity at the Board level as an essential element in maintaining competitive advantage and supporting the attainment of its strategic objectives and its sustainable development. Having a diverse Board would entail cultivating a broad spectrum of demographic attributes and characteristics in the boardroom, fostering a cognitively diverse group of individuals in the Board which can lead to better decision-making and reduce groupthink. Improving cognitive diversity in the Board can also bring about a greater ability among its members to understand one another and overcome argumentative biases for increased productivity and creative problem-solving.

The Company is committed to selecting the best candidates to serve on the Board and will consider all aspects of Board diversity which include but not limited to diversity of educational background, professional or industry experience, skills, domain knowledge, gender, age, cultural background, ethnicity as well as length of service.

The Company is also committed to improving cognitive diversity in the boardroom by creating an inclusive culture that allows diversity of thought to thrive in pursuit of better decision-making and oversight by the Board.

CAO Board Diversity Plan: The CAO Board Diversity Policy provides that the Nominating Committee reviews and assesses the structure, size and composition of the Board of Directors of the Company and will consider all aspects of board diversity including but not limited to gender, age, ethnicity, language, cultural and educational background, geographic representation, professional and industry experience, skills and knowledge and taking into consideration the Company's business model and any specific requirements. These diverse range of attributes, experience, expertise and perspectives together with the Company's strategic objectives, business activities and shareholding structure, will be considered in order to maintain an optimum mix of diversity, skills, knowledge, experience and expertise in the Board.

Governance Process: The Nominating Committee reviews and assesses the Board structure, size, and composition on behalf of the Board, and recommends for Board approval the appointment of new Directors taking into consideration the strategic objectives, business activities and shareholding structure of the Company.

STATEMENT OF CORPORATE GOVERNANCE

公司治理报告

In identifying qualified candidates for nomination to the Board and Board Committees, the Nominating Committee will consider prospective candidates based on merit, having regard to those core competencies, expertise, skills, background and other qualities identified from time to time by the Board as being important. The Nominating Committee will also take into account any legal and regulatory requirements, such as those relating to residency and independence, as well as any subsisting agreements between the major shareholders of the Company, and give due consideration to characteristics such as gender, age, ethnicity, sexual orientation, and geographic representation.

On gender diversity and with the objective of achieving and gradually increasing female board representation on the Board, the Nominating Committee will strive to obtain resumes of prospective female candidates for Board nomination as part of its search for suitable candidates for Board nomination, and will accord priority for the evaluation of the merits of selected female candidates for appointment to the Board as and when there is a need to fill a vacancy in the Board.

On cognitive diversity, the Nominating Committee will consider the cognitive diversity amongst current board members and identify skill sets required of new board members that could further improve cognitive diversity in the boardroom thereby creating an inclusive environment where all perspectives are nurtured and heard.

Actionable Plans to Achieve Diversity Objectives and Targets: As part of its plan to achieve its diversity objectives and targets (including achieving and gradually increasing gender diversity in the Board), the Company has implemented and/or will implement the following measures:

- (1) Keeping an updated list of potential Director candidates who satisfy the selection criteria as outlined in the Company's Policy for the Selection and Appointment of Independent Directors as well as the guiding principles set out in the CAO Board Diversity Policy which take into account the objective of achieving and gradually increasing female board representation on the Board.
- (2) Identifying potential Director candidates through a number of sources including directors' contacts, industry partners, professional associations and through the Singapore Institute of Directors' board appointment services.
- (3) Encouraging Directors to provide feedback on the composition of the Board as part of the Nominating Committee's annual evaluations of the performance and effectiveness of the Board and Board Committees. In reviewing the composition of the Board, the Nominating Committee will consider demographically diverse potential director candidates who can help improve the cognitive diversity in the boardroom, thereby meaningfully enhance the effectiveness of the Board.
- (4) As soon as practicable, establish a Board of Directors' Code of Conduct and Ethics of the Company which sets out, *inter alia*, guiding principles encouraging positive attitudes and behaviours in board members at meetings of the board and board committees that result in active participation, constructive candour (i.e. open and respectful exchanges without a sense of confrontation), diversity of thought and making of decisions based on merit of issues.

Diversity Mix of the Board: The Board is currently composed of members who are diverse in terms of academic and professional qualifications, skills, regional and industry experience, geographical origin, interpersonal skills, race, nationality and age. The members of the Board with their combined executive leadership and management skills, industry and professional expertise, different lengths of service and cognitive diversity, provide the core competencies to allow for diverse and objective perspectives on the business operations as well as the strategic direction of the Company. Further information on the individual Directors' academic and professional qualifications, major appointments, etc. can be found in the "Board of Directors" section in the 2024 Annual Report of the Company.

Delegation of Authority to Board Committees: To ensure the efficient discharge of its responsibilities and to provide independent oversight of Management, various Board committees namely, the Audit Committee, the Nominating Committee, the Remuneration Committee, the Risk Management Committee and the Sustainability Committee have been constituted with clear written terms of reference. Each Committee has the authority to examine issues relevant to their terms of reference and to make recommendations to the Board for action. The ultimate responsibility and decision on all matters still lies with the Board.

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The Board Delegation of Authority Management Measures were drawn up to formalise the principles that govern the delegation of authority and to outline the process by which the authority to act and to made decisions is delegated. The objectives of the aforesaid Management Measures include (i) assigning clear authorities and accountabilities; (ii) creating a sound internal control environment, while facilitating efficient decision making; (iii) setting out matters specifically reserved for determination by the Board/Board Committees and those matters delegated to Management, thereby ensuring that decisions made, and actions taken are by the appropriate levels.

To optimise operational efficiency, the Company regularly reviews and updates its financial authorisation and approval limits for purchases and expenses requisitions as well as expenses/fees relating to costs of sales (within and outside the approved full-year budget) in tandem with the business operational needs.

Meetings of the Board and Board Committees: The Board and Board Committees meet on a half-yearly basis and may hold ad hoc meetings as and when warranted by circumstances. The Board met two (2) times in 2024. At the scheduled Board meetings for the financial year 2024, the Board: (i) reviewed and approved the release of the half-year and full-year results; (ii) discussed reports by Management relating to major corporate activities; (iii) approved the annual budget; and (iv) reviewed the performance of the CAO Group's businesses. When Directors cannot be physically present, telephonic attendance and conference via audio-visual communication at Board and Board committee meetings are allowed under the Company's Constitution. The number of meetings of the Board and Board Committees held in 2024 as well as the attendances of each Board member at these meetings are disclosed below:

Board Strategy Meeting: During the year, the Board held a Board strategy discussion meeting which focused on (a) availability and accessibility of sustainable aviation fuel ("SAF"); (b) SAF -related investment opportunities; and (c) development and growth of the Company's SAF supply and its business model, etc.

Attendance at Meetings of the Board, Board Committees, Independent Directors and Board Strategy for the financial year ended 31 December 2024:

Name of Director	Board Meetings	Board Committee Meetings					Independent Directors' Meeting	Board Strategy Meeting
		Audit	Nominating	Remuneration	Risk Management	Sustainability		
Shi Yanliang	2	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	1
Teo Ser Luck	2	3	2	N.A.	2	2	1	1
Zhang Yuchen ¹	1	1	1	N.A.	1	1	N.A.	0
Shi Lei	1	N.A.	2	1	2	N.A.	N.A.	1
Lin Yi	2	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	1
Hee Theng Fong	2	3	N.A.	1	2	2	1	1
Fu Xingran	2	3	2	1	N.A.	2	1	1
Jeffrey Goh Mao Seong	2	N.A.	2	1	2	2	1	1
Richard Yang Minghui	2	3	N.A.	1	N.A.	N.A.	N.A.	1
Number of Meetings Held	2	3	2	1	2	2	1	1

Note:

¹ Mr Zhang Yuchen is a senior executive of CNAF and based in China. Due to a conflict in schedule, Mr Zhang was not able to attend the meetings of the relevant Board Committees of the Company held on 26 August 2024 and the Board Meeting as well as the Board Strategy Meeting of the Company held on 27 August 2024. Also, Mr Zhang was not able to attend an ad hoc Audit Committee Meeting held on 30 January 2024 relating to a presentation to the Audit Committee by audit firms which were shortlisted for proposed appointment as the external auditors of the Company in line with the Company's internal policy on the rotation of external auditors.

Half-Yearly Meetings of Board and Board Committees, Independent Directors' Meeting and Annual General Meeting: Meetings of the Board and Board Committees, Independent Directors' Meeting and the Annual General Meeting of the Company for each year are scheduled some time in the month of July in the preceding year to facilitate the Directors' individual administrative arrangements in respect of any competing commitments.

Director Familiarisation Programme: A formal letter is sent to newly appointed Non-Executive Directors upon their appointment explaining their duties and obligations as a Director as well as the governance policies and practices of the CAO Group. In addition, the formal letter of appointment sets out their expected time commitment and make clear that, by accepting the appointment, they are confirming that they are able to meet the expectations of their role. They are also required to disclose their other significant commitments to the Board prior to their appointment and to give notice of any subsequent changes.

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Comprehensive and tailored training is provided for all new Directors appointed to the Board as part of their orientation to ensure that they are familiar with (i) the Company's strategic objectives and the nature and scope of its operations; (ii) the Board's role and the governance structure and processes of the Company; (iii) Directors' duties and responsibilities under statute and common law; (iv) applicable legal requirements and other regulatory requirements; (v) broad overview on the rules of SGX-ST Listing Manual; and (vi) the CAO Corporate Governance Policy. Facility visits to our associated companies' premises are also arranged to enable newly appointed Directors to acquire an understanding of the CAO Group's business operations.

The purpose of the familiarisation sessions would be to familiarise them with the business activities, strategic direction, policies and corporate governance practices of the CAO Group. Areas covered would include the Corporate Strategy and Investments, Oil Trading and Aviation Marketing Businesses of the CAO Group, Risk Management Framework, Policies and Practices, overview of the financial performance of the CAO Group, Investor Relations Activities, Directors' Duties and Continuing Listing Obligations and Governance Structure, Policy and Practices of the CAO Group. These sessions also provided opportunities for newly Directors to get acquainted with senior management, and also foster better rapport and communications with Management.

For any Director who has no prior experience as a director of a listed company, arrangements will be made for him or her to attend the Listed Entity Directors ("**LED**") Programme conducted by the Singapore Institute of Directors ("**SID**") or the Board of Directors Masterclass Programme conducted by the Institute of Singapore Chartered Accountants and SAC Capital, within a year of his or her appointment.

Continuing Professional Development of Directors: In line with CAO's Policy on Director Orientation and Professional Development adopted by the Board, continuing professional development programmes were organised for Directors to ensure that all Directors are updated on important market developments in the industry relevant to the business of the CAO Group and issues which may have a significant impact on the businesses, financial and operational matters of the CAO Group. These programmes are conducted by external advisers, experts, management team or head of departments and these included a Board Information Session on "Pavilion Energy Sustainable Roadmap and Understanding How Carbon Credits Can Be Applied in the Energy Industry" conducted by Pavilion Energy Pte Ltd. In line with the Company's sustainability initiatives to grow and expand its SAF business, a site visit to Neste Singapore Refinery was arranged to provide Directors with a firsthand knowledge of SAF as well as an insight of how SAF is produced. A courtesy visit to an oil major in Malaysia was also organised for Directors and during which, a brief presentation was made on SAF Plant, key milestones in SAF and hydrotreated vegetable oils for the past year as well as brief information on carbon credits.

The Company also provides the Board with updates on developments in laws and regulations or changes in regulatory requirements and financial reporting standards, which are relevant to or may affect the CAO Group's businesses. The Directors have been periodically updated on various aspects of the CAO Group's operations through briefings, informal discussions and meetings with Management. As part of the Company's continuing professional education for Directors, the Company circulates to the Board articles, reports and news releases issued by the SGX-ST which are relevant to the CAO Group's businesses. Also, wherever applicable, meetings are arranged for the Directors to meet with relevant experts on issues which impact the CAO Group's operating environment. In addition, the Directors are encouraged to attend appropriate relevant external programmes such as those conducted by the SID or seminars organised by the SGX-ST or other professional institutions, at the Company's expense. The Directors may also, at any time, request further information or meetings with Management on the CAO Group's operations. During the year, the Company also made arrangements for Directors to conveniently access LRN's e-learning course titled "Information Security" which included topics such as phishing, secure social media, social engineering and cybercrimes and business email compromise.

Directors' Disclosure of Interests: The Board has established the Board of Directors Conflict of Interest Policy (the "**Board Conflict of Interest Policy**") which serves *inter alia*, to focus on the Board and each of its Directors on areas of ethical risk and provide guidance to the Directors to help them recognise and deal with actual and potential conflicts of interest, and help ensure avoidance of conflicts of interest where necessary. Under the Board Conflict of Interest Policy, all Directors are required to immediately disclose to the Board all conflicts of interest that have occurred or may possibly occur as soon as he or she is aware of a conflict or the possibility of a conflict using the Company's prescribed standard forms. Also, any Director who has a conflict of interest shall recuse himself or herself from discussions (except to disclose material facts and to respond to questions on a transaction or proposed transaction) and abstain from voting on resolutions regarding such transaction or proposed transaction. Such a Director should also not attempt to exert his or her personal influence with respect to the transaction or proposed transaction either at or outside the meeting.

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All Directors are required to officially disclose their interests in the Company including any interested person transactions with the Company. To facilitate a comprehensive disclosure by Directors and the Chief Executive Officer (“**CEO**”) of the Company of any interests arising from multiple or cross directorships, shares or equity ownership interests etc., a revised letter template for the general disclosure of interests by Directors and CEO have been devised for use by Directors and the CEO. As a further commitment of the Board to transparent disclosure, management and monitoring of existing and potential conflicts of interest, a “Conflict of Interest Disclosure Form” by Directors and KMP of the Company has been devised to facilitate adequate and timely disclosures by Directors and KMP.

All Directors practise good governance by updating the Company about changes to their interests in a timely manner.

Board Composition and Guidance

Composition of Independent Directors on the Board: Of the nine (9) members on the Board, five (5) are nominated by substantial shareholders and are deemed as non-independent. The four (4) Independent Directors namely, Mr Teo Ser Luck, Mr Hee Theng Fong, Dr Fu Xingran and Dr Jeffrey Goh Mau Seong constitute about forty-four percent. (44%) of the Board. Currently, at least two (2) Independent Directors are resident in Singapore. These two (2) Independent Directors are Mr Teo Ser Luck and Mr Hee Theng Fong. None of the nine (9) Board members is related to one another.

Independent Element of the Board: The Nominating Committee assesses and determines the independence of a Director upon appointment and on an annual basis. The Nominating Committee takes into consideration CAO’s Internal Policy Guidelines on Directors’ Test of Independence which set out the process for considering the independence of Directors of the Company (the “**Directors’ Test of Independence Policy**”). The Directors’ Test of Independence Policy (i) specifies the materiality thresholds and independence criteria which the Nominating Committee will use to assess the independence of a Director; (ii) identifies the information that the Company will collect from Directors to enable the Nominating Committee to assess the independence of Directors; and (iii) outlines the basis of disclosure to shareholders of the assessment of the independence of Directors, including the disclosure of any relationships that may be perceived to affect the independence or objectivity of a Director.

The Nominating Committee carried out the review on the independence of the non-executive Directors in May 2024 by taking into consideration the Directors’ Test of Independence Policy and the information collected from each Director through the completion by each Director of a confirmation of independence checklist. The Director is required to declare any circumstances in which he may be considered non-independent. The Nominating Committee will then review the confirmation of independence checklist by applying the Directors’ Test of Independence before affirming the independence of a Director.

In the Form of Director’s Declaration for 2024, Mr Teo Ser Luck, Mr Hee Theng Fong, Dr Fu Xingran and Dr Jeffrey Goh Mau Seong had each confirmed that there were neither any circumstances that could have materially interfered with his exercise of unfettered and independent judgment nor were there any occurrence of any circumstances where the interests of CAO might not be best served by the interests of the major shareholders of CAO. All have demonstrated their independence in character and judgement in discharging their duties and responsibilities as Directors of the Company and their ability to act in the best interests of the Company. This is evident from the minutes of the proceedings of the Board and Board Committees where they had expressed individual viewpoints and objectively scrutinised and sought clarifications from the Management, employees, external auditors and internal auditors of CAO as they considered necessary.

The Board accepted the Nominating Committee’s views and affirmed the independence of these Directors.

The composition of the Board is reviewed annually by the Nominating Committee taking into consideration all aspects of Board diversity which include but not limited to educational background, professional or industry experience, skills, knowledge, gender, age, cultural background, ethnicity as well as length of service. The Nominating Committee is satisfied that the Board comprises Directors with diverse academic backgrounds, professional qualifications, skills, regional and industry experience, geographical origin, interpersonal skills, race, nationality and age. The diverse mix of the members of the Board will provide the core competencies that will allow for diverse and objective perspectives on the business operations as well as the strategic direction of the Company. Individual directors’ profiles can be found in “Board of Directors” section of the Annual Report.

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All Singapore-listed companies are required to comply with Provision 2.2 of the 2018 Code which stipulates that Independent Directors should make up a majority of the Board where the Chairman is not independent. In this regard, considering that the rationale of Provision 2.2 of the 2018 Code is basically intended to prevent any one (1) major shareholder from dominating the decision-making process of the Board where the Chairman of the Board and the Chief Executive Officer are both nominated by the same major shareholder and notwithstanding that the Chairman of the Board is not an Independent Director of the Company, there already exists an appropriate level of checks and balances in the management and operation of the Company via the Shareholders' Agreement as the composition of the Board of Directors of the Company presently comprises representatives from its two (2) major shareholders namely, CNAF and BP. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board and the decision are based on collective decision without any individual or small group of individuals influencing or dominating the decision-making process. In addition, the Company had appointed a Lead Independent Director from amongst the Independent Directors of the Company to provide leadership in situations where the Chairman is conflicted. Considering that the safeguards for a balanced Board are already in place, the Board is of the view that it would be appropriate to maintain the present Board composition of the Company. Notwithstanding this, as part of the Company's commitment to abide by both the letter and spirit of Provision 2.2 of the 2018 Code, the possibility of increasing the number of Independent Directors in the Board in the foreseeable future will not be precluded.

Separate Role of Chairman and CEO: The Executive Chairman, with the assistance of the Lead Independent Director, is primarily responsible for overseeing the overall management and strategic development of the Company. The Company Secretary assists the Executive Chairman in scheduling Board meetings and ensures that all procedures and good governance practices are complied with. The CEO consults both with the Executive Chairman and the Lead Independent Director for their views on the agenda for Board meetings.

The CEO executes the Board's decisions and is responsible for the day-to-day running of the Company's business, making operational decisions for the Company and implementing the Company's business, direction, strategies and policies.

The Executive Chairman regularly consults with the Lead Independent Director as well as other members of the Board and Board committees on major issues. As such, the Board believes there are adequate safeguards in place against having a concentration of power and authority in a single individual.

The Executive Chairman and the CEO are not related to each other.

The updated list of duties and responsibilities for each of the Executive Chairman and CEO, are available for inspection at the Company's registered office.

Regular Meetings of Independent Directors: In accordance with the CAO Corporate Governance Policy, the Independent Directors of CAO meet at least once a year, without the presence of the other Directors, to discuss any matters relevant to the CAO Group, such as its investment criteria, risk management and internal controls, risk appetite and risk tolerance, performance of management, Board communication and performance, and strategic issues. The Independent Directors of CAO met on 13 December 2024 at a meeting chaired by the Lead Independent Director without the presence of the other Directors and the Management, and the gist of the discussion at the said meeting as provided by the Lead Independent Director are summarised as follows:

- (1) The Independent Directors were satisfied with the overall performance of the Company for the financial year 2024;
- (2) The Independent Directors had worked well with the Executive Chairman and the Management of the Company which enabled a collaborative board-management relationship and fostered mutual trust and confidence; and
- (3) The Independent Directors held an in-depth discussion on the Company's human resources ("**HR**") management and related issues, and in particular, the Company's HR strategy.

Board Membership

Composition of Nominating Committee and Terms of Reference: The Nominating Committee was established by the Board to make recommendations for all Board appointments. As at the date of this report, the Nominating Committee comprises five (5) members, the majority of whom, including its Chairman, are Independent Non-Executive Directors:

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Nominating Committee

Fu Xingran	Chairman
Shi Lei	Vice Chairman
Teo Ser Luck	Member
Zhang Yuchen	Member
Jeffrey Goh Mau Seong	Member

The Chairman of the Nominating Committee is not associated with any substantial shareholder of the Company.

The Nominating Committee held two (2) meetings in 2024 where it met to discuss and review (i) Proposed Disclosure on Proposed CAO Board Diversity Plans, Targets and Implementation Timeline in the 2024 Annual Report of the Company; (2) the independence of Non-Executive Directors; (ii) Board Performance Evaluation; (iii) Review of the Terms of Reference of the Nominating Committee and Proposed Amendments; and (iv) the Nominating Committee 2024 Annual Self-Assessment Findings. The Nominating Committee had also reviewed and approved several other matters under its remit via email circulation and these included (1) Proposed Revised Board of Directors Conflict of Interest Policy; and (2) Proposed Adoption of the Policy for Selection and Appointment of Independent Directors.

The responsibilities of the Nominating Committee include:

- (a) the review of the structure, size and composition of the Board and the Board Committees;
- (b) the review of the succession plans for the Chairman, Chief Executive Officer and Directors;
- (c) the development of a transparent process for evaluating and the performance of the Board, its Board Committees and non-executive Directors, including assessing whether the non-executive Directors are able to commit enough time to discharge their responsibilities and the maximum number of listed company Board representations which a Director may hold;
- (d) the review of the training and professional development programmes of the Board;
- (e) the appointment and re-appointment of all Directors (including alternate Directors, if any);
- (f) the review and confirmation of the independence of each Director; and
- (g) the review of the management structure of key operating subsidiaries of the Company and evaluation of the performance of key management personnel of these key operating subsidiaries, as and when proposed by any Director.

Board Nomination Process for the Selection and Appointment of New Independent Directors: The Nominating Committee will generally apply the process and guiding principles of the Policy for Selection and Appointment of Independent Directors of CAO (the “**Selection & Appointment of Independent Directors Policy**”) for identifying, evaluating, selecting and nominating suitable candidates for appointments as new Independent Directors of the Company. In considering the overall balance of the Board’s composition, the Nominating Committee will give due consideration to the selection and evaluation criteria set out in the Selection & Appointment of Independent Directors Policy, having regard to the normally accepted nomination criteria which include but not limited to (i) the appropriate background, experience, industry knowledge or ability to acquire that knowledge, professional skills and qualifications; (ii) demonstrated and recognised knowledge, experience and competence in business including financial literacy; (iii) ability to analyse information, think strategically, review and challenge Management in order to make informed decisions and assess performance; (iv) willingness to devote the required time, including being available to attend meetings of the Board and Board Committees; (v) good communication skills and ability to work harmoniously with fellow directors and the Management; and (vi) high levels of personal and professional integrity as well as business ethics.

In the case of selection and appointment of CNAF-Nominee Directors and BP-Nominee Directors, the Nominating Committee may apply the relevant selection and evaluation criteria in the Selection & Appointment of Independent Directors Policy when assessing their suitability in complementing the core competencies of the Board at that time.

Directors’ Multiple Directorships in Listed Companies: In line with the Board adopted guiding principles for the determination of a specified maximum number of listed board representations. Directors of CAO should not, as a general guide, hold more than six (6) board representations in listed companies (the “**Maximum Number of Listed Board Representations**”). In addition, the following considerations are also taken into account:

- (i) where the individual also holds a full-time executive position; and
- (ii) where the individual is a full-time independent director.

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All Directors of the Company have complied with the requirement on the Maximum Number of Listed Board Representations.

The Nominating Committee had reviewed each Director's external directorships as well as the Director's attendance and contributions to the Board. Despite the multiple directorships of some Directors, the Nominating Committee is satisfied that all of the Directors of the Company have complied with the requirement on the Maximum Number of Listed Board Representations. The Nominating Committee is also satisfied that the Directors spent adequate time on the Company's affairs and have carried out their responsibilities.

Retirement by Rotation and Re-election of Directors: Pursuant to Regulation 94 of the Company's Constitution, one-third of the members of the Board of Directors shall retire by rotation at every annual general meeting of the Company (the "**AGM**") and these Directors may offer themselves for re-election, if eligible. For the 31st AGM to be held on 24 April 2025, Dr Fu Xingran, Dr Jeffrey Goh Mau Seong and Mr Lin Yi are due for retirement by rotation and will be eligible for re-election.

Board Performance: The Nominating Committee evaluated the performance of each Director and the effectiveness of the Board as a whole. The Board has, through the Nominating Committee, implemented a formal process annually for assessing the effectiveness of the Board as a whole, each of its Board Committees and individual Directors (the "**Overall Board/Board Committees' Performance Evaluation**"). The Overall Board/Board Committees' Performance Evaluation entailed the completion by each member of the Nominating Committee of a Board assessment and effectiveness questionnaire (the "**Board Evaluation Questionnaire**"). The Board Evaluation Questionnaire takes into consideration the requirements of the 2018 Code as well as generally accepted good practices for Nominating Committees of listed companies in Singapore.

The elements of the Board Evaluation Questionnaire included questions on (i) the Board's composition; (ii) Board's access to information prior to Board meetings and on an ongoing basis to enable them to properly discharge their duties and responsibilities as Directors; (iii) the expertise and experience of each member of the Board; (iv) the conduct of proceedings of meetings, participation and contributions to the Board both inside and outside of Board meetings; (v) the process for selection and appointment of new Directors & Key Management Personnel as well as nomination of Directors for re-election; (vi) the assessment of the performance benchmark for assessing the performance of the Board as a whole and in ensuring the continued return for shareholders; (vii) the standard of conduct in preventing conflicts of interest and the disclosure of personal interests and abstention from voting where appropriate; (viii) Directors' multiple board representations; and (ix) communications with shareholders of the Company.

A summary of the assessment ratings on each of the elements of the Board Evaluation Questionnaire by each member of the Nominating Committee for last three (3) preceding years was also sent to the members of the Nominating Committee.

Each member of the Nominating Committee would first carry out his own assessment and evaluation of the performance of the Board as a whole and its Board Committees using the Board Evaluation Questionnaire.

A general summary of the assessment ratings on each of the elements of the Board Evaluation Questionnaire by each member of the Nominating Committee will be collated by the Company Secretary for the Nominating Committee's deliberation and consensus at its Nominating Committee Meeting held in August 2024. Based on analyses of the ratings allocated by members of the Nominating Committee, it was noted that the Board already has an effective governance framework in place which provided a sound basis for strategic leadership and oversight at the Board level. In order to bring about more positive effects on board dynamics and governance, the Board considered the proposed action points and these included: (1) enhancing the demographic attributes and characteristics in the boardroom through gender diversity as well as having more international representation on the Board. Although gender diversity is not the bellwether for board diversity, embracing diversity and striving for gender balance in the Board can help the Company reap the benefits of more robust decision-making, greater innovation and improved corporate governance; (2) increasing the number of independent directors represented on the Board to further enhance the independence element in the Board to enable the Company to comply with the requirements of Provision 2.2 of the 2018 Code which requires majority board independence where the Chairman of the Board is not independent; and (3) setting clear expectations with the Management on the Board's engagement in strategy. These could include how the Board wants to engage in the setting of the Company's strategy, what the Board needs from management and from individual board members to be effectively engaged and value adding as the Company's strategy evolves to address new risks, opportunities, and challenges.

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During the year, each of the Board committees also conducted an annual self-evaluation to assess its effectiveness as a whole and explored ways to further enhance its effectiveness. Areas covered by the self-assessment exercise included (1) Board Membership and Diversity; (2) Conduct of Meetings; (3) Training and Professional Development; (4) Reporting and Updates to the Board; (5) Process for Selection and Appointment of New Independent Directors; (6) Process for Board Performance Evaluation; and (7) Communications with Shareholders. The overall responses received from members of the Nominating Committee were positive in all categories of the Nominating Committee Self-Assessment Form, indicating that the Nominating Committee is already operating at an effective level.

The Nominating Committee is satisfied with the current compositions and performances of the Board and the Board Committees, both individually and as a whole.

Access to Information

Information Flow: The Company has put in place enhanced communication processes between the Board and Management in terms of information flow.

Agenda for meetings and all Board papers for discussions are circulated to Directors at least ten (10) calendar days in advance so that the Directors are prepared for the meetings. However, sensitive matters may be tabled at the meeting itself or discussed without any papers being distributed. Management and senior executives of the Company would be present during the Board meeting or Board Committee meeting, as the case may be, to present their proposals or to answer any questions that Board members may have.

The Board as a whole as well as individual Directors have direct access to Management represented by senior executive officers of the Company and the CAO Group. The Management provides the Directors with monthly updates on the operational and financial performance of the CAO Group, and also responds to regular questions from the Board or individual Directors in a timely manner.

Where the Board deems it necessary, the Board can obtain independent advice from external consultants. This enhances the Board's ability to discharge its functions and duties.

All Board members have direct access to and the advice and services of the Company Secretary. The Company Secretary attends all Board and Board Committee meetings and assists the respective Chairman of the Board/Board Committees in ensuring that Board/ Board Committee papers, procedures and the applicable laws and regulations are adhered to.

Information about the Company and the CAO Group are freely available to each Board member. Management will promptly supply any additional information that the Board requires.

The Board also has ready access to external professionals for consultations and any such costs and expenses are paid by the Company.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies/Level and Mix of Remuneration/Disclosure on Remuneration

Remuneration Committee: The Board has established a Remuneration Committee to consider and to make recommendations on remuneration matters for the Directors and KMP of the CAO Group. Apart from ensuring consistencies with good practices, the Remuneration Committee is also mindful of the need to ensure that the Company and the CAO Group are able to attract and retain good Directors and senior executives to the business.

As at the date of this report, the Remuneration Committee comprises five (5) members, the majority of whom, including its Chairman, are Independent Non-Executive Directors:

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Remuneration Committee

Jeffrey Goh Mau Seong	Chairman
Shi Lei	Vice Chairman
Fu Xingran	Member
Hee Theng Fong	Member
Richard Yang Minghui	Member

The Remuneration Committee assists the Board and Management by assessing and making remuneration recommendations for the Executive Directors and KMPs of the Company that is appropriate and proportionate to the sustained performance and value creation of the Company, in line with the strategic objectives of the Company.

During the year, the Remuneration Committee reviewed and recommended to the Board for consideration and approval: (1) Proposed Implementation Rules on Tenure Incentives for Management Personnel; (2) Review of the Terms of Reference of the Remuneration Committee and Proposed Amendments; (3) 2024 Remuneration Committee Annual Self-Assessment Summary; (4) FY2023 Performance Bonus for CEO and other Key Management Personnel; and (5) 2024 Salary Adjustment for CEO and other Key Management Personnel.

The Company used the “Total Remuneration Survey” for the Energy Trading Industry purchased from Mercer as a reference for benchmarking purposes. Mercer and its consultants are independent and are not related to the Company or its Directors.

Broadly, remuneration for the Executive Chairman, CEO/Executive Director and five (5) KMPs for the financial year ended 31 December 2024 is based on the Company’s performance as well as individual performances, and the remuneration for Non-Executive, Independent Directors in the form of fees is based on responsibilities and memberships in the Board and its committees.

All Independent Directors of the Company are paid Directors’ fees, subject to the approval of shareholders at the AGM. Directors’ fees comprise a basic fee and fees in respect of service on the Board Committees. All Non-executive, Non-Independent Directors of the Company do not receive Directors’ fees.

The structure for the payment of Directors’ fees for Non-Executive Directors, which is based on a framework comprising basic fees and additional fees for serving on the Board Committees and undertaking additional services for the CAO Group. Fees paid or payable to Independent Directors consider factors such as effort, time spent and responsibilities of these Directors. The Executive Chairman and Executive Director do not receive Directors’ fees for their Board directorships with the Company or within the CAO Group.

Details on the existing Directors’ fee structure are set out below:

- Each independent director will receive a base fee (“**Base Fee**”).
- The Chairman of the Audit Committee (“**AC**”) will receive additionally two-thirds of the Base Fee (“**AC Chairman’s Fee**”).
- The Chairman of the Risk Management Committee (“**RMC**”) will receive additionally two-thirds of the Base Fee (“**RMC Chairman’s Fee**”).
- Chairman of the Remuneration Committee (“**RC**”) and the Chairman of the Nominating Committee (“**NC**”) will each receive additionally one-half of the Base Fee.
- Members of AC, RC, NC and RMC will each receive 50% of the respective AC Chairman’s Fee, RC Chairman’s Fee, NC Chairman’s Fee, and RMC Chairman’s Fee.
- Non-Executive, Non-Independent Directors, and Executive Directors will not be entitled to receive fees.
- The Lead Independent Director will receive additionally a fixed fee of S\$30,000.

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The remuneration of Directors, the Executive Chairman and Chief Executive Officer/Executive Director payable for the financial year ended 31 December 2024 is set out below:

Name of Director/CEO	Fee (S\$)	Basic/Fixed Salary and Allowance (S\$)	Variable/Performance Bonus (S\$)	Others (S\$)	Long-Term Incentives (S\$)	Total (S\$)
Executive Chairman						
Shi Yanliang ¹	N.A.	273,196.49	3,531.68	39,694.88	0	316,423.05
Chief Executive Officer/Executive Director						
Lin Yi ²	N.A.	259,305.96	61,231.11	33,977.45	0	354,514.52
Non-Executive Directors						
Teo Ser Luck (Lead Independent Director)	162,000	N.A.	N.A.	N.A.	N.A.	162,000
Zhang Yuchen ⁺	0	N.A.	N.A.	N.A.	N.A.	0
Shi Lei ⁺	0	N.A.	N.A.	N.A.	N.A.	0
Hee Theng Fong	120,000	N.A.	N.A.	N.A.	N.A.	120,000
Fu Xingran	112,000	N.A.	N.A.	N.A.	N.A.	112,000
Jeffrey Goh Mau Seong	112,000	N.A.	N.A.	N.A.	N.A.	112,000
Richard Yang Minghui ⁺	0	N.A.	N.A.	N.A.	N.A.	0

Notes:

- The total remuneration of Mr Shi Yanliang shown above includes the pro-rated 2023 variable bonus paid during the financial year 2024 and excludes the 2024 variable bonus payable during the financial year 2025.
 - The total remuneration of Mr Lin Yi shown above includes the 2023 variable bonus paid during the financial year 2024 and excludes the 2024 variable bonus payable during the financial year 2025.
- + Non-executive, Non-Independent Directors of the Company do not receive Directors' fees.

Summary of Compensation Table for Key Management Personnel for the financial year ended 31 December 2024

Remuneration Bands	Name of Key Management Personnel	Based/Fixed Salary (%)	Variable Bonus (%)	Allowances and Other Benefits (%)	Long-Term Incentives (%)	Total (%)
S\$500,001 – S\$750,000	Elizza Ding	73.6	23.3	3.1	0	100.0
	Zou Yaoping	68.7	19.7	11.6	0	100.0
S\$250,000 – S\$500,000	Liu Hanguang	62.7	21.9	15.4	0	100.0
	Doreen Nah	71.6	25.2	3.2	0	100.0
Below S\$250,000	Zhou Haomin ¹	86.4	0	13.6	0	100.0
Total Remuneration of Five (5) Key Management Personnel²						S\$1,713,455

Notes:

- Zhou Haomin was appointed as Deputy Head of Finance in October 2024 and his total remuneration for the financial year 2024 has been pro-rated accordingly.
- The remuneration disclosed for the KMP includes the 2023 variable bonus paid during the financial year 2024 and excludes the 2024 variable bonus payable during the financial year 2025.

There are no employees in the CAO Group who are immediate family members of the Chairman or any of the Directors during the financial year ended 31 December 2024. "Immediate family member" means the spouse, child, adopted child, stepchild, brother, sister, and parent.

The remuneration of the CAO Group's five (5) KMP takes into consideration relevant policy requirements of CNAF or the pay and employment conditions in the same industry and is performance-related.

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The remuneration package of Directors and key management personnel include the following:

Basic/fixed salary – The basic salary (exclusive of statutory employer contributions to Central Provident Fund) for the Executive Chairman, CEO/ED and each KMP were approved by the Remuneration Committee and endorsed by the Board, taking into account the performance of the individual for the financial year 2024, the inflation price index and information from independent sources on the pay scale for similar jobs in a selected group of comparable organisations.

Variable/Performance – The CAO Group operates a bonus scheme for all employees, including the ED and CEO. The criteria for the bonus scheme are the level of profit achieved from certain aspects of the CAO Group's business activities against targets, together with an assessment of the Company's and individual's performance during the year. The remuneration disclosed above for the Executive Chairman, CEO/ED and the five (5) KMPs included the variable bonuses in relation to business performance targets achieved for the Company during the financial year 2023.

Others – Benefits in kind such as statutory employer contributions to Central Provident Fund, employer's contributions to social security funds for CNAF seconded personnel, and other allowances and/or short-term benefits are made available where appropriate and consistent with common industry practices.

(C) ACCOUNTABILITY AND AUDIT

Accountability:

The Board, with the assistance of the Audit Committee, reviewed all financial statements of the Company and the CAO Group. The Board is accountable to shareholders and always aims to present a balanced and understandable assessment of the Company's and the CAO Group's financial position and prospects to shareholders on a timely basis. The half-year and full-year results were announced or issued within the mandatory period. The Board also ensures that timely announcements of other matters as prescribed by the SGX-ST Listing Manual requirements and other relevant rules and regulations are made.

Board members are provided with management accounts on a monthly basis. Such reports keep the Board informed, on a balanced and understandable basis, of the CAO Group's performance, financial position and prospects and consist of the consolidated profit and loss accounts, analysis of sales, operating profit, pre-tax and attributable profit by business segments compared against the budgets, together with explanation given for significant variances for the month and year-to-date.

The Board had established a Financial Audit Management Measures (the "**Financial Audit Management Measures**") which will serve to further strengthen financial supervision, regulate the annual audit of financial statements, improve the quality of accounting information as well as enhance the level of financial management of the CAO Group. In line with the prevailing regulatory requirements of the State-owned Assets Supervision and Administration Commission of the State Council of the People's Republic of China, which has jurisdiction over CNAF, which is a state-owned enterprise of the People's Republic of China, and over the Company as CNAF's subsidiary, the same audit firm may undertake the financial audit of the CAO Group for not more than 5 consecutive financial years. For audit firm with good audit quality track record, the Company may request for extension of engagement of the same audit firm and obtain approval from the Audit Committee and the Board, but the number of years of consecutive financial audits shall not exceed 8 financial years. The audit firm extending its year of consecutive audits beyond 5 consecutive financial years will be required to change the audit engagement partner and the signing certified public accountant from the sixth year onwards.

The Audit Committee, in accordance with its terms of reference, evaluates the qualifications, performance and independence of the external auditors at least annually ("**Audit Quality Assessment**"), taking into consideration the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority of Singapore (including whether provision of non-audit services is compatible with maintaining the auditors' independence). The Audit Quality Assessment is conducted in the form of a questionnaire ("**Audit Quality Assessment Questionnaire**") to assess the quality, qualifications, performance and independence of the external auditors. In reviewing the performance of the external auditors, the Audit Committee will focus on the quality and rigour of the audit (e.g. assessment of the effectiveness of the external audit through levels of errors identified, accuracy in handling key accounting audit judgments and response to queries from the Audit Committee); quality of audit services provided, the audit firm's internal quality control procedures, relationship with internal auditors and the Company; and the independence and objectivity of the external auditors.

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The Board, through the Audit Committee, BDO LLP (“**BDO**”) and internal auditors, PricewaterhouseCoopers Risk Services Pte Ltd (“**PWC**”), scrutinised Management’s conduct of the Company’s and the CAO Group’s business processes and financials. Each area of the Company and the CAO Group was audited on an ongoing basis to ensure that the Company and the CAO Group maintain good corporate practices and governance and financial integrity.

RISK MANAGEMENT AND INTERNAL CONTROLS

The Board recognises the importance of sound internal control and risk management practices. In this regard, the Board affirms that it is responsible for the CAO Group’s systems of internal control and risk management system and had established the Risk Management Committee.

As at the date of this report, the Risk Management Committee comprises five (5) members, all of whom are Non-Executive Directors:

Risk Management Committee

Hee Theng Fong	Chairman
Zhang Yuchen	Vice Chairman
Teo Ser Luck	Member
Shi Lei	Member
Jeffrey Goh Mau Seong	Member

In line with the Risk Management Committee’s remit of overall risk management, the Risk Management Committee coordinates the management of major risks under the respective oversight responsibility of the Audit Committee, the Nominating Committee, Remuneration Committee and Sustainability Committee. The Audit Committee, the Nominating Committee, the Remuneration Committee and the Sustainability Committee will notify the Risk Management Committee of any material risk matters and report them to the Board after reaching a consensus.

The Risk Management Committee assists the Board and the Company in ensuring adequate measures are in place to manage all material risks (including relating to risk management policies and framework which shall include, among others, the review of market risk, credit risk, operational and compliance risks associated with trading activities, technology risk (including information security risk and cybersecurity risk), reputational risk and other risk concerns (other than in relation to financial reporting and financial-related risks and controls).

The Risk Management Department of the Company ensures that the risk management activities have been executed daily. The Risk Management Department is responsible for, among others:

- (i) ensuring that risk management activities have been executed daily; and
- (ii) all risk-related policies, processes and limits are implemented and adhered to.

The Risk Management Committee delegates the day-to-day management of risks of the Company and the CAO Group to the Company Risk Team (save for the day-to-day management of risks relating to the “Hedging Business” of the Company and the CAO Group), which operates within the delegated authority set by the Risk Management Committee from time to time.

The Company Risk Team comprises at least six (6) members which include the Risk Management-In-Charge, members of the Management team (one of whom shall be the CEO) and relevant functional heads (i.e. Trading-In-Charge, Operation-In-Charge, Finance-In-Charge, Legal & Compliance-In-Charge and Corporate Development and Investment-In-Charge), and meets at least once a year as well as on an ad hoc basis when required. The Chairman of the Company Risk Team, who is the Risk Management-In-Charge, directly reports to the Executive Chairman but also has an independent direct reporting line to the Risk Management Committee.

The Risk Management Committee delegates the day-to-day management of risks of the “Hedging Business” of the Company and the CAO Group to the Hedging Business Leadership Team. The Hedging Business Leadership Team comprises at least (6) members which include members of the Management team (of whom (1) the CEO shall be the Team Leader; and (2) the Chief Financial Officer/Vice President shall be the Deputy Team Leader), Risk Management-In-Charge, Trading-In-Charge and Finance-In-Charge.

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The Risk Management Report is found on page 57 of the Annual Report.

The adequacy and effectiveness of the system of internal controls of the CAO Group is subject to a periodic review by the Internal Auditors of the Company which is outsourced to PWC and supported by the Compliance team of the Legal & Compliance Department. The key responsibilities of the Compliance function include *inter alia*:

- (1) review and evaluation of compliance-related issues across the CAO Group;
- (2) monitoring of new and existing laws and regulations as well as keeping abreast of the status of all relevant compliance activities;
- (3) acting as a channel of communication between compliance investigators and concerned parties;
- (4) setting policies and periodic checks to prevent any unethical or illegal conduct within the CAO Group;
- (5) responding to violation of regulations, policies, rules and standards of conduct within the CAO Group;
- (6) coordination of compliance activities such as providing training to staff of the CAO Group;
- (7) overseeing the annual internal audit for the CAO Group which includes preparation of internal audit schedules including short/long term audit plans, reviewing the annual/quarterly internal audit reports to the Management and the Audit Committee;
- (8) integration and establishment of the CAO Group's internal control framework, policies, processes and systems across the Company, its subsidiaries and associates;
- (9) facilitating and assisting the CAO Group functional heads in formulating policies, operational processes and systems;
- (10) ensure that the policies, processes and systems are efficient in implementation and aligned with regulatory requirement;
- (11) establishing and maintaining the CAO Group's Business Continuity Plan;
- (12) establishing and ongoing review of the standard operating templates of the CAO Group to ensure proper departmental ownership of each processes and changes; and
- (13) evaluating the system of internal controls for new projects and business activities and analysis on the impact of such activities on the CAO Group and where necessary, provide recommendations and develop programmes for improvement.

The Head of Legal & Compliance reports directly to the CEO/ED. The Head of Legal & Compliance may also report directly to the Audit Committee for important matters or concerns relating to the system of internal controls of the CAO Group.

As part of the CAO Group's efforts to ensure all employees of the CAO Group stay relevant and informed of the dynamic business environment and uphold core ethics and values that are essential to the long-term success of the CAO Group, the Legal & Compliance Department arranged for all employees of the CAO Group to participate in the mandatory e-learning course modules relating to (1) Data Privacy; (2) Information Security; (3) Preventing Financial Crime (Anti-Money Laundering, Anti-Fraud, Anti-Bribery and Corruption and Sanction) via the LRN's online learning portal. In addition, the Legal & Compliance Department conducted two (2) in-house training sessions namely, (1) Anti-Fraud, Anti-Corruption and Sanctions Compliance; and (2) CAO's General Mandate for Interested Person Transactions.

In September 2024, the Company conducted its second on-site business continuity plan cum disaster recovery plan ("**BCP & DRP**") exercise since the onset of the pandemic, activating the disaster recovery centre, whereby the employees of foreign subsidiaries of the CAO Group also participated in the drill in their respective countries. The BCP & DRP exercise had elevated the awareness of handling unforeseen events, assessed the effectiveness of the business continuity plan, and strengthened employees' emergency response capabilities in the face of unexpected situations. During the year, the Company also conducted a "Call Tree" drill to test the effectiveness of its business continuity and emergency/incident management protocols.

With the assistance of the Audit Committee and the Risk Management Committee, the Board reviews the adequacy and integrity of the internal control systems and processes of the Company from time to time. Corporate Policy on Anti-Money Laundering Measures, including the appointment of an Anti-Money Laundering Compliance Officer, together with other trading-related policies such as Out-of-Office Dealing Policy, Telephone Taping/Instant Messaging/Mobile Phone Policy, Deal Entry Policy, CAO Group Trade Sanctions Policy and CAO Group Corporate Guarantee Policy had been endorsed by the Risk Management Committee and relevant departments had also been mandated with the responsibility to oversee the adoption of the aforesaid policies in their practices, processes and operations.

The Company has also established the "CAO Internal Audit Management Measures". The objectives of the "CAO Internal Audit Management Measures" are to streamline and strengthen the administration of internal audit activities, enhance CAO's internal controls processes and provide assurance on the quality of internal audit services.

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The internal audit function of the CAO Group, which is outsourced to PWC, assists the Audit Committee and the Board in evaluating the internal control systems and processes, financial and accounting matters, compliance and business and financial risk management. The Audit Committee's responsibilities in the CAO Group's internal controls are complemented by the work of the outsourced Internal Auditors, PWC, the Risk Management Department and the Legal & Compliance Department.

Based on the audit reports, internal control systems review report and management controls in place, the Audit Committee is satisfied that the internal control systems provide reasonable assurance that assets are safeguarded, that proper accounting records are maintained and financial statements are reliable.

In line with the Singapore Standards on Auditing, the Company's external auditors, BDO LLP, will disclose key audit matters in the auditor's reports on the financial statements which include matters that were of most significance in the audit of the financial statements for the financial year ended 31 December 2024 (the "**Key Audit Matters**").

Significant financial reporting matters (including the Audit Committee's perspectives on the Key Audit Matters) are summarised below:

Key Audit Matters	Audit Committee's Commentary on its Review of Key Audit Matters and Decisions Made
<p>Revenue recognition</p> <p>Recognition of revenue has been identified as a key audit matter primarily due to:</p> <ul style="list-style-type: none"> the timing of recognition for trades with deliveries occurring on or around year-end because of the extent of the CAO Group's distribution network and varying shipping terms with customers; and risk of potential deliberate misstatement of the CAO Group's trading positions by failing to report the trades entered or failing to record the trades accurately or timely. <p>The details of the CAO Group's revenue are disclosed in Notes 3.9 and 20 to the financial statements.</p>	<p>The Audit Committee regularly discussed with management and the external auditors on the standard operating procedures and controls in place to ensure the timeliness, completeness and accuracy of accounting records and reporting.</p> <p>The Audit Committee has considered the reasonableness and adequacy of the internal controls and procedures on the CAO Group's operating effectiveness. The Audit Committee has also considered the audit procedures performed by the external auditors as well as their audit findings, and noted that no misstatements were uncovered by the external auditors. It evaluated and was satisfied that the standard operating procedures and controls in place were reasonable and adequate.</p>
<p>Valuation of Derivatives, Open Physical Contracts and Trading Inventories</p> <p>The valuation of derivatives (including open physical contracts) and trading inventories has been identified as a risk primarily because valuation requires significant management judgment in applying the appropriate assumptions and inputs used in the valuation, including the use of an appropriate price index.</p> <p>The valuation techniques and the inputs used in the fair value measurements of the financial instruments are disclosed in Notes 10, 11, 16 and 28 to the financial statements.</p>	<p>The Audit Committee received regular briefings on the CAO Group's internal controls and compliance. The internal auditors also conducted a review of the Company's system of internal controls and no significant observations were noted.</p> <p>The Audit Committee has considered the reasonableness and appropriateness of the controls in place over the valuation of derivatives, open physical contracts and trading inventories as well as the internal auditors' audit findings. It evaluated and was satisfied that the valuation methodology and inputs used in the valuation were reasonable and appropriate.</p>

In addition, PWC which had been engaged to conduct a review of the internal control systems and processes of the CAO Group will highlight any internal control weaknesses which have come to their attention in the course of their review. Any such audit findings noted during the audit by external auditors or internal control weaknesses noted during the review by BDO, and recommendations in relation thereto, if any, by the external auditors and PWC respectively, are reported to the Audit Committee.

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In accordance with Provision 10.2 of the 2018 Code, the Audit Committee reviewed the written assurance (“**Letter of Assurance**”) from the CEO and CFO on the financial records and the financial statements of the Company for the financial year ended 31 December 2024. The Letter of Assurance provides reasonable assurance to the Board that (1) the financial records of CAO for the financial year ended 31 December 2024 have been properly maintained; (2) the financial statements and the accompanying notes comply with the Singapore Financial Reporting Standards (International) in all material respects; (3) the financial statements and accompanying notes provide a true and fair view of the financial position and performance of CAO and its subsidiaries; and (4) the integrity of the financial statements are founded on a sound system of risk management and internal control; and (5) the risk management and internal control system is operating efficiently and effectively in all material respects.

In accordance with Provision 9.2(a) of the 2018 Code, the Board received a Letter of Assurance from the CEO and CFO confirming that the financial records have been properly maintained and the financial statements give a true and fair view of the CAO Group’s operations and finances. In accordance with Provision 9.2 (b) of the 2018 Code, the Board also received a Letter of Assurance from the CEO, other members of the Management team and the Head of Risk Management, that the CAO Group’s risk management and internal control systems are adequate and effective as at 31 December 2024 to address financial, operational, compliance and information technology risks.

Based on the internal controls established and maintained by the CAO Group, work performed by the internal and external auditors, and reviews performed by management and various Board Committees, the Board, with the concurrence of the Audit Committee and the Risk Management Committee, is of the opinion that the CAO Group’s internal controls and risk management systems are adequate and effective as at 31 December 2024 in addressing financial, operational, compliance and information technology risks to provide reasonable assurance for achieving the following objectives:

- (a) effectiveness and efficiency of operations;
- (b) reliability of financial reporting; and
- (c) compliance with applicable laws and regulations.

The Board noted that the system of internal controls and risk management provides reasonable, but not absolute, assurance that the CAO Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives and goals. In this regard, the Board also noted that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities.

AUDIT COMMITTEE

Composition of the Audit Committee: As of the date of this report, the Audit Committee comprises five (5) members, all of whom are Non-Executive Directors and the majority, including its Chairman, consists of Independent Directors:

Audit Committee

Teo Ser Luck	Chairman
Zhang Yuchen	Vice Chairman
Hee Theng Fong	Member
Fu Xingran	Member
Richard Yang Minghui	Member

Roles of the Audit Committee: The Audit Committee held three (3) meetings in 2024. The Audit Committee met with external and internal auditors to review both the Company and the CAO Group’s financials and audit reports. A key issue for discussion is the financial statements and announcements made by the Company to shareholders. The members of the Audit Committee, collectively, have expertise or experience in financial management and are qualified to discharge the Audit Committee’s responsibilities.

The Audit Committee met with both the external and internal auditors at least once without the presence of the Management.

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The Audit Committee assists the Board and the Company in fulfilling its oversight responsibility relating to *inter alia*, the integrity of the Company's financial statements and financial reporting processes and the Company's system of internal accounting and financial controls, the review of the adequacy and effectiveness of the Company's risk management and internal controls (in relation to financial reporting and other financial-related risks), the adequacy of the scope, resources and performance of the internal audit function, the annual independent audit of the Company's financial statements, the engagement of external auditors and their remuneration, and the evaluation of their qualifications, independence, objectivity and performance.

The Audit Committee reviewed the quarterly and annual financial statements for the financial year 2024 and the integrity of financial reporting of the Company, including the accounting principles, for recommendation to the Board for approval. The Audit Committee also reviewed and approved the plans of the internal auditor and external auditor' to ensure that such plans adequately cover, in particular, significant internal controls of the Company relating to financial, operational and compliance-related matters. Significant issues are discussed at Audit Committee meetings.

The Audit Committee has full authority to investigate into any matter within its terms of reference, including any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations.

The Audit Committee has full access to and co-operation of the Management. The Audit Committee also has full discretion to invite any Director or executive officer from the Company or the CAO Group to attend its meetings. The Audit Committee has full access to both external and internal auditors. Where required, the Audit Committee is empowered to obtain external legal advice or such other independent professional advice as the Audit Committee deems necessary.

The Audit Committee monitors all interested person transactions, including transactions under the general mandate on Interested Person Transactions approved by shareholders at the AGM held in April 2024, and conflict of interest situations including transactions, procedures or actions taken which may raise issues about the Management's integrity.

The Audit Committee also evaluates the scope and results of internal audit reports as well as Management's responses to the findings of the internal audit reports. For further discussions about internal audit, please see section (D) INTERNAL CONTROLS.

The Audit Committee has also conducted an annual review of non-audit services and is satisfied that the nature and extent of such services provided by BDO LLP will not prejudice their independence and objectivity before confirming their re-nomination.

The Company implemented the Revised CAO Whistleblowing Policy which included *inter alia*, clearer guidance relating to the Company's approach and stance on whistleblowing and the means by which whistleblowers can raise serious concerns of any allegations of wrongdoing as well as more explicit indication of the kinds of conduct which might be considered reportable concerns. Under the Revised CAO Whistleblowing Policy, whistleblowers may report any reportable concerns pertaining to any form of misconduct affecting the CAO Group, its customers, partners, suppliers and other stakeholders, via a dedicated email address: whistle_blowing@caosco.com and auditcommittee_whistleblowing@caosco.com. The Company did not receive any such reportable concerns during the year.

A summary of the Revised CAO Whistleblowing Policy can be accessed from the Company's external website. Under the Revised CAO Whistleblowing Policy, all reportable concerns will be reviewed within a reasonable time-frame, and after due consideration and inquiry, a decision will be taken on whether to proceed with a detailed investigation. Guidance and direction will be sought from the Management of the Company on the appropriate course of action. Where a reportable incident relates directly or indirectly to any member of the Management, that member of the Management shall abstain from participating in the deliberations relating thereto. Management shall then submit all reported concerns including recommended action (if any) to the Chairman of the Board and/or the Audit Committee for their guidance. The Chairman of the Board and/or the Audit Committee shall decide as to whether the Company should proceed with the investigation of the complaint or whether no further action is considered necessary. In the event that the Chairman of the Board and/or the Audit Committee shall decide that an investigation should proceed, an ad hoc investigation taskforce shall be established and the members of such ad hoc investigation taskforce shall comprise relevant personnel recommended by the Management and approved by the Chairman of the Board and/or the Audit Committee.

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The Company has implemented and executed its Enterprise Risk Management Framework and Process which provides the Company with a structured approach and framework to regularly assess its enterprise-wide risks. Enterprise Risk Assessments are conducted on a regular basis to identify and deliver an inventory of key risks for the Company (including climate change-related risk) and to develop a list of key risk indicators that can help the Company monitor and mitigate its key risks. The Company also executed its Crisis Management and Business Continuity Plan which provides the CAO Group with a structured process for limiting the intensity or impact of negative threat or event to its employees, products, services, investments, financial stability and reputation.

During the year, the Company also established its Compliance Management Policy revised and updated several of its compliance-related policies including the “Trade Sanctions Compliance Policy”, “Anti-Money Laundering and Anti-Terrorist Financing Measures”. The Company also conducted a group-wide fraud risk assessment on the Company and its Subsidiaries.

The Fraud Control Plan comprises periodic fraud risk assessments on the Company which is subject to review from time to time.

In addition, other existing policies, internal guidelines and/or processes and procedures have been put in place by the Company and these include the Investment Governance Management Measures, Revised Hedging Business Management Measures, Administrative Measures for Records and Archives (which replaced the Documents Retention Policy), Contracts/Documents Review Policy and Procedures, Appropriate Use of Information Technology Policy, Revised CAO Whistleblowing Policy, Administrative Measures for the Formulation of Internal Policies and Procedures, Remuneration Policy, Revised Investor Relations Policy, etc.

The Company has put in place an employee handbook which includes a code of business conduct and ethics for employees.

Internal Audit

Both the Board and the Audit Committee agree that it is important to have a strong professional internal audit function to enhance their ability to manage risk and safeguard shareholders’ interest. It has been determined that the best approach is to engage independent professional auditors to discharge this function and such, PWC has been retained as the Internal Auditors of the CAO Group.

During the financial year, PWC reviewed the Company’s processes and procedures on a continual basis to ensure compliance with the best corporate governance practices. It also reviewed interested person transactions on a regular basis. The Audit Committee is satisfied that PWC had adequate resources to perform its functions and had appropriate standing within the Company.

As the Internal Auditors of the CAO Group, PWC had conducted its internal audits for the financial year 2024 in accordance with PWC’s global internal audit methodology which is aligned with the Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

In accordance with the relevant requirements of the “CAO Internal Audit Management Measures”, the Company conducts an audit service quality assessment of its outsourced internal auditors on a yearly basis and will provide the evaluation results at the Audit Committee Meeting. The internal audit plan for the following financial year will be presented for approval at the second Audit Committee Meeting scheduled for each financial year together with the recommendation for the outsourced internal auditors’ re-appointment.

The Audit Committee had approved the internal audit plan for 2025 submitted by PWC. The internal audit plan includes amongst others, (1) an independent annual review on the effectiveness and adequacy of the CAO Group’s overall system of internal controls including an audit of key business processes; (2) audit on the hedging process of the CAO Group’s hedging business; (3) audit on the review process for interested person transactions; and (4) audit on the FY2024 sustainability reporting process. The internal audit reports which included *inter alia*, a summary of the significant audit findings or internal control inadequacies that could possibly affect the CAO Group’s operational effectiveness, are submitted to the Audit Committee for review and approval. These internal audit reports are also submitted to the Board for information. Adoption of remedial measures by relevant departments arising from the audit findings are subsequently monitored for implementation by specified timelines.

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SUSTAINABILITY COMMITTEE

Composition of the Sustainability Committee: The Sustainability Committee comprises five (5) members, all of whom are Non-Executive Directors and the majority, including its Chairman, consists of Independent Directors:

Sustainability Committee

Teo Ser Luck	Chairman
Zhang Yuchen	Vice Chairman
Hee Theng Fong	Member
Fu Xingran	Member
Jeffrey Goh Mau Seong	Member

Roles of the Sustainability Committee: The Sustainability Committee assists the Board in fulfilling its oversight responsibilities in relation to sustainability-related issues of the Company, its wholly owned subsidiaries as well as subsidiaries where it has management control ("**Subsidiaries**"), and to achieve the following objectives: (i) To maintain and achieve long-term business growth and development of the Company, to promote environmental protection, enhance human resource management and other technical capabilities of the Company and its Subsidiaries, thereby creating long-term sustainable value for the stakeholders of the Company; (ii) To develop a sustainability framework and an actionable sustainability roadmap; and (iii) To embed sustainability into the Company's corporate culture, promoting ethical and responsible behaviour.

The Sustainability Committee held two (2) meetings in 2024 where it met to discuss and review (1) Summary of Findings and Recommendations in relation to: (a) Evaluation of Material Environmental, Social and Governance (ESG) Factors in FY 2023 Sustainability Reporting; (b) Materiality Assessment of ESG Factors in FY 2023 Sustainability Reporting including Proposed Targets and Metrics; (c) Focus Areas for CAO and Peer Benchmarking; and (d) Aligning with International Sustainability Standards Board (ISSB): Recommendation on Climate Change Governance and Preliminary Climate Risk Identification; (2) Proposed CAO Sustainability Development Framework and a 5-year Phased Strategy Implementation Roadmap; (3) Proposed Adoption of CAO FY 2023 Sustainability Report; (3) Review of Terms of Reference of the Sustainability Committee, Sustainability Task Force and Proposed Amendments; (4) Evaluation of Material Environmental, Social and Governance (ESG) Factors in FY 2024 Sustainability Reporting; and (5) Report on Completion Progress of Material ESG Targets.

In working towards achieving the Company's sustainability targets, the Sustainability Committee may, as and when necessary, collaborate with all other Board Committees namely, the Audit Committee, the Risk Management Committee, the Nominating Committee and the Remuneration Committee. The Audit Committee, the Risk Management Committee, the Nominating Committee and the Remuneration Committee will notify the Sustainability Committee of any sustainability-related matters (including climate change-related risks and opportunities) that may affect the sustainable development of the Company and its Subsidiaries. The Sustainability Committee will, following consideration and concurrence, thereafter report the matter to the Board. Specifically, the Sustainable Committee's duties and responsibilities include: (i) reviewing and recommending for Board approval, the CAO Group's sustainability framework and sustainability roadmap; (ii) reviewing and recommending for Board approval, the sustainability strategy plans for sustainable growth and climate change-related risks and business opportunities as well as overseeing the implementation of the same; (iii) reviewing key sustainability policies of the Company and ensuring these sustainability policies are not in contravention with applicable legal and regulatory compliance requirements; (iv) reviewing material environmental, social and governance factors (including but not limited to climate change-related matters that are relevant to the Company's business and other sustainability initiatives) that would enhance the Company's value, brand image and relationships with various stakeholders; and (v) overseeing the sustainable development of the Company and its Subsidiaries in relation to achieving its sustainability objectives, which will include but not limited to strategies on environmental protection and climate-related changes and social considerations, underpinning sustainability, climate-related risks and opportunities.

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(D) COMMUNICATION WITH SHAREHOLDERS

Investor Relations and Shareholder Communication

The CAO Group is committed to providing regular, effective and fair communication with its shareholders and the investment community.

The Company, through the Investor Relations team and senior management, maintained active working relationships with domestic and international brokerage firms, investment banks and the media.

In order to: (i) cultivate wider investing public's familiarity with the CAO Group; (ii) increase global awareness and appreciation of CAO's business strategy, corporate developments, growth drivers and financial performance; and (iii) enhance the quantity and quality of analysts' research, post pandemic, CAO actively capitalised on renewed investor interest, organising investor engagement sessions and participating in both local and global investment conferences to better inform investors about CAO's investment merits. Testament to the continued efforts of Company, Lim & Tan Securities initiated analyst coverage on the Company's shares during the year bringing the total number of analyst coverage by banks and brokerages to 7.

The Company reviews an analyst's report for factual accuracy of information that is within the public domain but does not provide forward guidance for analysts' earnings estimates, and will not comment on their conclusions, earnings estimates, or investment recommendations.

As a matter of internal policy, the Company will not deny an analyst or investor access to information on the basis of a negative recommendation or a decision no longer to hold the Company's securities. The Company shall not attempt to influence an analyst to change his or her recommendations by exerting pressure through other business relationships.

The Office of Board Secretary Department which manages and oversees CAO's Investor Relations function publishes and maintains a list on the Company's external website showing names of analysts and firms providing coverage.

The Company also engages the media and investment community through news releases and earnings briefings after the announcement of CAO Group's financial results. In 2024, the Company conducted two in-person analyst briefings with management to foster closer communication with the investment community. In addition, the Company held over 120 meetings with analysts, fund managers and investors from Singapore, Hong Kong, Malaysia and Thailand during the year to discuss CAO's key growth factors as well as addressed any key concerns that the investment community might have, to further expand the Company's reach among both local and international investors.

To assist members of the Board to gain a current understanding of the views of institutional shareholders, the Board receives (i) a regular investor relations and corporate communications report which cover a wide range of matters including a commentary on the perception of the Company and views expressed by the investment community, media reports, share price performance and analysis, share ownership analysis, highlights of recent investor relations activities; and (ii) a yearly peer companies analysis report which provides a detailed analysis and evaluation on the benchmarking exercise with identified peer companies to provide the Board with a better understanding of CAO's position within the industry as well as identify gaps and learning points.

In addition, the Board has established the Internal Guidelines on Issuance of Profit Guidance or Profit Warning Announcements which purposes include allowing market expectations to adjust to the likelihood that the Company will either fall short of an earlier profit guidance, and/or to avoid an earnings shock, negative impact on the share price, sell-off of the Company's shares and/or volatility of trading in the Company's shares, when the financial results are announced.

The Company's commitment to risk management, corporate transparency and investor relations was further recognised in 2024 when CAO received the "Best Risk Management Award (Gold)" at the Singapore Corporate Awards, the "Most Transparent Company Award (Energy)" in the 2024 Investors' Choice Awards by Securities Investors Association (Singapore). In 2024, CAO also received the "Corporate Sustainability – Green Innovation" award from the Asia Corporate Excellence & Sustainability awards – a further validation of the Company's commitment towards reducing its carbon footprint and undertaking to operate ethically and sustainably.

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Investor Relations Calendar

The following key events were held in 2024 to engage shareholders, investors and analysts:

First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2H & FY2023 Post Results Briefing with Analysts and Media	30 th Annual General Meeting	1H & FY2024 Post Results Briefing with Analysts and Media	Non-Deal Investors' Meeting in Thailand

Conduct of Shareholder Meetings

All shareholders of the Company are treated fairly and equitably to facilitate the exercise of their ownership rights.

The Board supports and encourages active shareholder participation at general meetings as it believes that general meetings serve as an opportune forum for shareholders to meet the Board and senior management, and to interact with them. Shareholders (themselves or through duly appointed proxies) are given the opportunity to participate effectively and vote at general meetings of the Company, where relevant rules and procedures governing such meetings (for instance, how to vote) are clearly communicated prior to the start of the meeting.

The Company's Constitution allows (i) each shareholder who is not a relevant intermediary (as defined in the Companies Act) the right to appoint up to two proxies and (ii) each shareholder who is a relevant intermediary to appoint more than two proxies to attend and vote on their behalf in shareholders' meetings. A copy of the Notice of AGM is sent to all shareholders. As for the Annual Report and the Company's letter to shareholders in relation to certain resolutions being tabled at the AGM ("**Letter to Shareholders**"), in line with the CAO Group's sustainability strategy, these documents are made available for download from the Company's corporate website. Printed copies of the Annual Report and Letter to Shareholders are available on request.

At general meetings, the Company sets out separate resolutions on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where resolutions are "bundled", the Company explains the reasons and material implications for doing in the notice calling for the general meeting. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed.

Members of the Board and senior management are present at each shareholders' meeting to respond to questions from shareholders. In general, all Directors are expected to attend general meetings of shareholders, unless they are unable to attend due to exigencies. The Company's external auditor is also present to address queries about the conduct of audit and the preparation and content of the independent auditor's report. All Directors and members of the senior management of the Company were present at the 30th AGM.

For greater transparency, the Company has implemented electronic poll voting at its annual general meetings. This entails shareholders being invited to vote on each of the resolutions by poll, using an electronic voting system (instead of voting by hand), thereby allowing all shareholders present or represented at the meeting to vote on a one share, one vote basis. The voting results of all votes cast for, or against, each resolution is then screened at the meeting and announced to the SGX-ST after the meeting. An independent external party is appointed as scrutineer for the electronic voting process to count and validate the votes at general meetings.

Provision 11.4 of the Code provides for a company's constitution to allow for absentia voting at general meetings of shareholders. The Constitution of the Company currently does not, however, permit shareholders to vote at general meetings in absentia (such as via mail, email or fax). The Company will consider implementing the relevant amendments to the Constitution if the Board is of the view that there is a demand for such alternative methods of voting, and after the Company has evaluated and put in place the necessary security processes to facilitate in absentia voting, and prevention measures against errors, fraud and other related security and integrity issues.

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In line with Principle 11 of the Code, shareholders nevertheless have the opportunity to communicate their views on matters affecting the Company even when they are not in attendance at general meetings as shareholders are able to appoint proxies to vote on their behalf at general meetings through proxy forms sent in advance.

The Company publishes minutes of general meetings of shareholders on its corporate website as soon as practicable after the relevant general meeting. Such minutes will record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and management, which are addressed at the annual general meeting.

Where there are items of special business to be transacted at the AGM, comprehensive explanatory notes will be sent together with the notice of the AGM.

A shareholder who is not a “relevant intermediary” may appoint up to two proxies during his or her absence, to attend, speak and vote on his or her behalf at general meetings. Shareholders who are “relevant intermediaries” such as banks, capital markets services licence holders which provide custodial services for securities and the Central Provident Fund Board (“**CPF**”), are allowed to appoint more than two proxies to attend, speak and vote at general meetings. This will enable indirect investors including CPF investors, to be appointed as proxies to participate at general meetings of the Company.

At each annual general meeting, the CFO delivers a presentation on the financial performance of the Company for the financial year under review. Directors and the Management are in attendance to address queries and concerns about the Company. The Company’s external auditors and internal auditors also attend the AGM. Shareholders are informed of the voting procedures and rules governing the meeting.

Shareholders also have the opportunity to communicate their views and discuss with the Board and Management matters affecting the Company after the general meetings.

The Constitution of the Company can be accessed from the Company’s external website.

Dividend Policy

During the year, the Company revised its dividend policy of the Company (the “**Revised CAO Dividend Policy**”) which sets out further guiding principles for dividend distribution by the Company (the “**Guiding Principles**”). The Guiding Principles included *inter alia*, maintaining a consistent baseline dividend payout ratio which constitutes 30 percent of the Company’s annual consolidated net profits attributable to shareholders.

In approving or reviewing a dividend policy or making its recommendations on the timing, amount and form of any future dividends, the Board takes into consideration, among others:

- (a) the cash balance and distributable profits of the CAO Group;
- (b) current and projected capital expenditures as well as other investment plans of the CAO Group;
- (c) actual and projected financial results of the CAO Group;
- (d) working capital and other usual capital requirements of the CAO Group; and
- (e) past dividend distribution trends of the Company and other industry players.

A summary of the CAO Dividend Policy can be accessed from the Company’s external website.

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DEALINGS IN THE COMPANY'S SECURITIES

In line with the recommended practices on dealings in securities set out under Rule 1207(18) of the SGX-ST Listing Manual and the Company's "Guidelines for Dealings in Securities by Directors and Employees of China Aviation Oil (Singapore) Corporation Ltd and its Subsidiaries" (the "**Internal Guidelines**"), the Company has issued a directive to all employees and directors not to deal in the Company's securities on short-term considerations and to abstain from dealing with the Company's securities for a period commencing two (2) weeks before the announcement of the results of the first half of the financial year and one (1) month before the announcement of the full year results and ending on the date of the announcement of the relevant results.

INTERESTED PERSON TRANSACTIONS

Shareholders have approved the renewal of the general mandate for interested person transactions of the CAO Group on 25 April 2024 (the "**IPT Mandate**"). The IPT Mandate sets out the levels and procedures to obtain approval for such transactions. Information regarding the IPT Mandate is available on the Company's website at www.caosco.com. All business units are required to be familiar with the IPT Mandate and report any such transactions to the Legal & Compliance Department. The Legal & Compliance Department keeps a register of the CAO Group's interested person transactions.

Information on interested person transactions for the financial year 2024 is found under "Supplementary Information" on page 182.

REVIEW OF SYSTEM OF INTERNAL CONTROLS

As part of the Company's ongoing process of ensuring effectiveness of its system of internal controls, the established system of internal controls of the Company would be subject to annual review by an independent external reviewer with appropriate experience in corporate governance and risk management processes.

A review of the Company's system of internal controls (the "**Review of System of Internal Controls**") was conducted for the financial year 2024 by PwC. In the Report, PwC made the following observations and concluded that CAO had established an adequate system of internal controls in terms of its processes, people and system:

- Formal policies and procedures have been established for the key business processes reviewed. The design of the internal controls of CAO and its subsidiaries is generally adequate, and the audit findings primarily relate to improvements in internal controls to enhance effectiveness.
- Management embraces a corporate culture that values internal controls and compliance with regulatory requirement and company policies. Corrective actions are taken promptly to address the issues identified in the previous audits to minimise the recurrence of similar issues.
- Key risks and compliance-related matters are closely monitored by the Risk Management Department and the Legal and Compliance Department respectively, on a daily basis. Significant risk and compliance-related matters are also reported to the Board and the relevant Board Committees.
- CAO continues to leverage its existing information technology systems, such as OA system and the real-time large-screen hedging business platform system, to maintain adequate and effective internal controls across various business operations.

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APPENDIX

(1) Charter of Lead Independent Director

The Company shall have a Lead Independent Director who shall be an independent director as defined under the 2018 Code.

Purpose

In circumstances where the Chairman of the Board of Directors is not independent, the Board of Directors of the Company considers it to be useful and appropriate to designate a Lead Independent Director to coordinate the activities of the independent directors of the Company and performing such other duties and responsibilities as the Board may determine from time to time.

Duties and Responsibilities

In addition to the duties of Board members as set forth in the 2018 Code, the specific duties and responsibilities of the Lead Independent Director shall be as follows:

Function as Principal Liaison with the Chairman and Senior Management

- Act as the principal liaison between the Independent Directors of the Company and the Chairman of the Board, and between the Independent Directors of the Company and senior management.

Call Meetings of Independent Directors

- Has the authority to convene meetings, as appropriate, among the Independent Directors of the Company and to ensure that Independent Directors have adequate opportunities to meet and discuss issues in sessions of the Independent Directors without the presence or participation of management.

Preside at Meetings

- Preside at any meetings held among the Independent Directors of the Company.

Approve Appropriate Provision of Information to the Board and the Board Committees

- Review the quality, quantity and timeliness of the information submitted to the Board and Board Committees.
- Advise and assist the Chairman on the meeting agenda items.
- Advise the Chairman and facilitate Board's approval of the number and frequency of meetings of the Board and Board Committees (including any special meetings of the Board) as well as meeting schedules to ensure that there is sufficient time for discussion of all agenda items.

Initiate Actions to Address any Concerns on Corporate Compliance Matters

- Has authority to initiate actions, for and on behalf of the Independent Directors of the Company, to address any concerns on corporate compliance matters including the engaging of external advisers and consultants, even at the displeasure of the Management or majority shareholders of the Company.

Function as Principal Liaison in Shareholder Communication

- Respond directly to the shareholders of the Company, questions and comments that are directed to the Lead Independent Director or to the Independent Directors of the Company as a group, with such consultation with the Chairman of the Board and the other Non-Independent Directors, as the Lead Independent Director may deem appropriate.

FINANCIAL STATEMENTS

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DIRECTORS' STATEMENT

The Directors are pleased to submit their statement to the members together with the audited financial statements of China Aviation Oil (Singapore) Corporation Ltd (the “Company”) and its subsidiaries (the “Group”) for the financial year ended 31 December 2024.

1. OPINION OF THE DIRECTORS

In our opinion:

- (a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company together with the notes thereon are properly drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the financial year then ended on that date in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

2. DIRECTORS

The directors in office at the date of this statement are as follows:

Shi Yanliang	Executive Chairman
Teo Ser Luck	Lead Independent Director
Lin Yi	Chief Executive Officer/Executive Director
Zhang Yuchen	
Shi Lei	
Hee Theng Fong	
Fu Xingran	
Jeffrey Goh Mau Seong	
Richard Yang Minghui	

3. DIRECTORS' INTERESTS

According to the register of directors' shareholdings, none of the directors who held office at the end of the financial year had interests in shares or debentures of the Company, or of related corporations either at the beginning or at the end of the financial year.

None of the directors who held office at the end of the financial year had interests in shares and debentures of the Company, or of related corporations between the end of the financial year and 21 January 2025.

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

DIRECTORS' STATEMENT

4. AUDIT COMMITTEE

At the date of this statement, the members of the Audit Committee are:

- Teo Ser Luck (Chairman), non-executive, independent director
- Zhang Yuchen (Vice-Chairman), non-executive, non-independent director
- Hee Theng Fong, non-executive, independent director
- Fu Xingran, non-executive, independent director
- Richard Yang Minghui, non-executive, non-independent director

The Audit Committee performed its functions specified in Section 201B(5) of the Companies Act 1967, the SGX Listing Manual, the 2018 Code of Corporate Governance and the Corporate Governance Policy of the Company.

As at the date of this statement, the Audit Committee had held two meetings since the last Annual General Meeting (“AGM”) of the Company. In performing its functions, the Audit Committee met with the Company’s external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company’s internal accounting control system.

The Audit Committee also reviewed inter alia, the following:

- assistance provided by the Company’s officers to the internal and external auditors;
- half-yearly financial information and annual financial statements of the Group and the Company and the integrity of financial reporting of the Group and the Company (including the accounting policies) prior to their submission to the directors of the Company for approval;
- audit scopes, plans and reports of the internal auditors to ensure the adequacy and effectiveness of the significant internal controls of the Group and the Company (to address financial, operational, compliance, information technology controls risks) and risk management systems (including where relevant and as far as can be assessed, sanctions-related risk);
- audit scopes, plans and reports (including Key Audit Matters) of the external auditors to ensure adequacy of audit of the statutory financial statements of the Group and the Company and the effectiveness, independence and objectivity of the external auditors as well as the level of audit and non-audit fees.
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

Further details regarding the Audit Committee are disclosed in the Statement of Corporate Governance.

DIRECTORS' STATEMENT

5. INDEPENDENT AUDITORS

BDO LLP has expressed its willingness to accept re-appointment as the independent auditors of the Company.

In appointing the auditors for the Company, subsidiaries and significant associates, we have complied with Rules 712 and 715 of the SGX Listing Manual.

On behalf of the Board of Directors

Teo Ser Luck

Lead Independent Director

Lin Yi

Chief Executive Officer/Executive Director

28 March 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of China Aviation Oil (Singapore) Corporation Ltd

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of China Aviation Oil (Singapore) Corporation Ltd (the "Company") and its subsidiaries (the "Group") set out on pages 113 to 181, which comprise:

- the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2024;
- the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, and consolidated statement of cash flows of the Group and statement of changes in equity of the Company for the financial year then ended; and
- notes to the financial statements, including material accounting policy information.

In our opinion the accompanying consolidated financial statements of the Group, the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024, and of its consolidated financial performance, consolidated changes in equity, consolidated cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

The financial statements of the Group and the Company for the financial year ended 31 December 2023 were audited by another firm of auditors who expressed an unmodified opinion on those statements on 28 March 2024.

INDEPENDENT AUDITOR'S REPORT

To the Members of China Aviation Oil (Singapore) Corporation Ltd

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER

1. Revenue Recognition

The Group's primary sources of revenue include the sale of physical commodity products and trading of oil commodity derivatives. Revenue from the sale of physical oil commodity products is recognised once control of the goods has been transferred to the customer. Derivatives are recorded initially at fair value on the date the derivative contracts are established and are subsequently revalued to their fair value at each reporting date.

Recognition of revenue has been identified as a key audit matter primarily due to:

- the timing of recognition for trades with deliveries occurring on or around year-end because of the extent of the Group's distribution network and varying shipping terms with customers; and
- risk of potential deliberate misstatement of the Group's trading positions by failing to report the trades entered or failing to record the trades accurately or timely.

Refer to Note 3.9 and 20 of the accompanying financial statements.

2. Valuation of Derivatives, Open Physical Contracts and Trading Inventories

As at 31 December 2024, the Group recorded derivatives assets, derivatives liabilities (including open physical contracts) and trading inventories of approximately US\$13,419,000, US\$20,531,000 and US\$27,546,000 respectively.

The valuation of derivatives (including open physical contracts) and trading inventories has been identified as a risk primarily because valuation requires significant management judgment in applying the appropriate assumptions and inputs used in the valuation, including the use of an appropriate price index.

Refer to Notes 10, 11, 16 and 28 of the accompanying financial statements.

AUDIT RESPONSE

Our procedures included, amongst others, the following:

- Examined the Group's revenue recognition policies to verify compliance with SFRS(I) 15 Revenue from Contracts with Customers;
- Reviewed revenue cycle, assessed the design and implementation of controls, identified key controls and tested the operating effectiveness of such controls;
- Performed test of details, on a sample basis to determine that revenue are recognised in accordance with the relevant shipping terms;
- Performed a cut-off test on the sampled revenue for deliveries occurring on or around year-end to verify recordings are under the shipping terms;
- Obtained third-party confirmations on a sample basis to confirm the accuracy and completeness of derivatives as at year-end;
- Performed analytical review using data analytics tools to identify unusual trends and investigate reasons; and
- Assessed the adequacy of the related disclosures made in the financial statements.

Our procedures included, amongst others, the following:

- Reviewed management process relating to valuation of derivatives (including open physical contracts) and trading inventories by identifying key controls, evaluating, assessing the design and implementation of controls;
- Tested on a sample basis, valuation of derivatives (including open physical contracts) and trading inventories by evaluating the appropriateness of the assumptions and inputs used in the valuation;
- Obtained third-party confirmations to determine the completeness of the derivatives; and
- Assessed the adequacy of the related disclosures made in the financial statements.

INDEPENDENT AUDITOR'S REPORT

To the Members of China Aviation Oil (Singapore) Corporation Ltd

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Director's responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

INDEPENDENT AUDITOR'S REPORT

To the Members of China Aviation Oil (Singapore) Corporation Ltd

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ng Kian Hui.

BDO LLP

Public Accountants and
Chartered Accountants
Singapore

28 March 2025

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2024

	Note	Group		Company	
		2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Assets					
Non-current assets					
Property, plant and equipment	4	14,187	15,271	12,355	13,400
Right-of-use assets	5	2,887	5,772	273	3,761
Intangible assets	6	5,768	6,778	145	98
Subsidiaries	7	–	–	36,928	35,611
Associates	8	264,273	253,149	264,273	253,149
Financial asset at fair value through other comprehensive income	9	5,500	5,500	–	–
Deferred tax asset	15	720	–	–	–
		<u>293,335</u>	<u>286,470</u>	<u>313,974</u>	<u>306,019</u>
Current assets					
Inventories	10	70,968	88,265	16,713	886
Trade and other receivables	11	1,127,067	1,039,739	1,049,695	1,031,465
Cash and cash equivalents	12	500,329	373,040	483,347	359,281
		<u>1,698,364</u>	<u>1,501,044</u>	<u>1,549,755</u>	<u>1,391,632</u>
Total assets		<u>1,991,699</u>	<u>1,787,514</u>	<u>1,863,729</u>	<u>1,697,651</u>
Equity and liabilities					
Capital, reserves and non-controlling interests					
Share capital	13	215,573	215,573	215,573	215,573
Reserves	14	770,697	732,827	742,467	707,459
Equity attributable to owners of the Company		<u>986,270</u>	<u>948,400</u>	<u>958,040</u>	<u>923,032</u>
Non-controlling interests		3,678	3,947	–	–
Total equity		<u>989,948</u>	<u>952,347</u>	<u>958,040</u>	<u>923,032</u>
Non-current liabilities					
Lease liabilities	18	1,678	734	51	3
Deferred tax liabilities	15	9,201	7,952	9,201	7,952
		<u>10,879</u>	<u>8,686</u>	<u>9,252</u>	<u>7,955</u>
Current liabilities					
Trade and other payables	16	981,043	813,620	893,005	759,778
Contract liabilities	17	4,162	3,619	–	–
Lease liabilities	18	1,644	5,559	226	3,844
Current tax liabilities		4,023	3,683	3,206	3,042
		<u>990,872</u>	<u>826,481</u>	<u>896,437</u>	<u>766,664</u>
Total liabilities		<u>1,001,751</u>	<u>835,167</u>	<u>905,689</u>	<u>774,619</u>
Total equity and liabilities		<u>1,991,699</u>	<u>1,787,514</u>	<u>1,863,729</u>	<u>1,697,651</u>

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Revenue	20	15,518,512	14,429,573
Cost of sales		(15,476,647)	(14,378,975)
Gross profit		41,865	50,598
Other income	21	17,350	18,716
Administrative expenses		(17,196)	(16,658)
Other operating expenses		(1,045)	(15,148)
Loss allowance for trade receivables		(261)	(1,161)
Results from operating activities		40,713	36,347
Finance costs	22	(858)	(736)
Share of profit of associates (net of tax)	8	45,894	30,318
Profit before tax		85,749	65,929
Tax expense	23	(7,661)	(7,556)
Profit for the financial year	21	78,088	58,373
Profit attributable to:			
Owners of the Company		78,357	58,856
Non-controlling interests		(269)	(483)
		78,088	58,373
Earnings per share:			
Basic earnings per share (cents)	24	9.11	6.84
Diluted earnings per share (cents)	24	9.11	6.84

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2024

	2024 US\$'000	2023 US\$'000
Profit for the financial year	78,088	58,373
Other comprehensive loss		
Items that are or may be reclassified subsequently to profit or loss:		
Translation differences relating to financial statements of foreign associates	(8,559)	(3,126)
Other comprehensive loss for the financial year, net of tax	(8,559)	(3,126)
Total comprehensive income for the financial year	69,529	55,247
Total comprehensive income attributable to:		
Owners of the Company	69,798	55,730
Non-controlling interests	(269)	(483)
	69,529	55,247

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Note	Share capital US\$'000	Foreign currency translation reserve US\$'000	Statutory reserves US\$'000	Reserve for own shares US\$'000	Accumulated profits US\$'000	Total attributable to owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
GROUP									
At 1 January 2024		215,573	(8,741)	37,220	(5,482)	709,830	948,400	3,947	952,347
Total comprehensive income for the financial year:									
Profit for the financial year		–	–	–	–	78,357	78,357	(269)	78,088
Other comprehensive loss:									
<i>Items that are or may be reclassified subsequently to profit or loss:</i>									
Translation differences relating to financial statements of foreign associates		–	(8,559)	–	–	–	(8,559)	–	(8,559)
		–	(8,559)	–	–	78,357	69,798	(269)	69,529
Contributions by and distributions to owners:									
Share of associates' accumulated profits transferred to statutory reserve	14	–	–	49	–	(49)	–	–	–
Dividends to equity holders	14	–	–	–	–	(31,928)	(31,928)	–	(31,928)
Total transactions with owners		–	–	49	–	(31,977)	(31,928)	–	(31,928)
At 31 December 2024		215,573	(17,300)	37,269	(5,482)	756,210	986,270	3,678	989,948

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Note	Share capital US\$'000	Foreign currency translation reserve US\$'000	Statutory reserves US\$'000	Reserve for own shares US\$'000	Accumulated profits US\$'000	Total attributable to owners of the Company US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
GROUP									
At 1 January 2023		215,573	(5,615)	37,203	(5,482)	661,299	902,978	4,430	907,408
Total comprehensive income for the financial year:									
Profit for the financial year		–	–	–	–	58,856	58,856	(483)	58,373
Other comprehensive loss:									
<i>Items that are or may be reclassified subsequently to profit or loss:</i>									
Translation differences relating to financial statements of foreign associates		–	(3,126)	–	–	–	(3,126)	–	(3,126)
		–	(3,126)	–	–	58,856	55,730	(483)	55,247
Contributions by and distributions to owners:									
Share of associates' accumulated profits transferred to statutory reserve	14	–	–	17	–	(17)	–	–	–
Dividends to equity holders	14	–	–	–	–	(10,308)	(10,308)	–	(10,308)
Total transactions with owners		–	–	17	–	(10,325)	(10,308)	–	(10,308)
At 31 December 2023		215,573	(8,741)	37,220	(5,482)	709,830	948,400	3,947	952,347

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2024

	Note	Share capital US\$'000	Foreign currency translation reserve US\$'000	Statutory reserves US\$'000	Reserve for own shares US\$'000	Accumulated profits US\$'000	Total equity US\$'000
COMPANY							
At 1 January 2024		215,573	(8,741)	37,220	(5,482)	684,462	923,032
Total comprehensive income for the financial year:							
Profit for the financial year		–	–	–	–	75,495	75,495
Other comprehensive loss:							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Translation differences relating to financial statements of foreign associates		–	(8,559)	–	–	–	(8,559)
		–	(8,559)	–	–	75,495	66,936
Contributions by and distributions to owners:							
Share of associates' accumulated profits transferred to statutory reserve	14	–	–	49	–	(49)	–
Dividends to equity holders	14	–	–	–	–	(31,928)	(31,928)
Total transactions with owners		–	–	49	–	(31,977)	(31,928)
At 31 December 2024		215,573	(17,300)	37,269	(5,482)	727,980	958,040
At 1 January 2023							
At 1 January 2023		215,573	(5,615)	37,203	(5,482)	647,615	889,294
Total comprehensive income for the financial year:							
Profit for the financial year		–	–	–	–	47,172	47,172
Other comprehensive loss:							
<i>Items that are or may be reclassified subsequently to profit or loss:</i>							
Translation differences relating to financial statements of foreign associates		–	(3,126)	–	–	–	(3,126)
		–	(3,126)	–	–	47,172	44,046
Contributions by and distributions to owners:							
Share of associates' accumulated profits transferred to statutory reserve	14	–	–	17	–	(17)	–
Dividends to equity holders	14	–	–	–	–	(10,308)	(10,308)
Total transactions with owners		–	–	17	–	(10,325)	(10,308)
At 31 December 2023		215,573	(8,741)	37,220	(5,482)	684,462	923,032

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Cash flows from operating activities			
Profit for the financial year		78,088	58,373
Adjustments for:			
Depreciation of property, plant and equipment	4	1,872	1,474
Depreciation of right-of-use assets	5	5,889	5,976
Amortisation of intangible assets	6	1,117	1,124
Impairment of goodwill	6	–	3,375
Property, plant and equipment written off		20	2
Gain on right-of-use asset written off		(8)	(74)
Loss allowance for trade receivables	11	261	1,161
Allowance for impairment loss on investment in associate	8	–	8,654
Fair value gain on derivative instruments		7,932	(4,572)
Share of profit of associates (net of tax)	8	(45,894)	(30,318)
Tax expense	23	7,661	7,556
Interest income	21	(16,968)	(17,742)
Interest expense	22	128	2
Dividend income from financial asset at FVTOCI		(76)	(482)
Lease interest expense	22	319	289
Unrealised exchange differences		369	(604)
Operating cash flows before movements in working capital		40,710	34,194
Change in inventories		17,297	93,824
Change in trade and other receivables		(87,157)	(350,622)
Change in trade and other payables		156,579	281,674
Cash from operations		127,429	59,070
Tax paid		(6,070)	(4,512)
Net cash from operating activities		121,359	54,558
Cash flows from investing activities			
Interest received		20,591	14,019
Acquisition of property, plant and equipment		(808)	(11,483)
Acquisition of intangible assets		(107)	(76)
Additional investment in an associate		(164)	–
Dividend income from financial asset at FVTOCI		74	482
Dividends from associates (net of withholding tax paid)		25,057	23,313
Net cash from investing activities		44,643	26,255
Cash flows from financing activities			
Interest paid		(128)	(2)
Interest paid on lease liabilities		(319)	(289)
Repayment of lease liabilities		(5,969)	(5,973)
Proceeds from borrowings		78,901	8,991
Repayment of borrowings		(78,901)	(8,991)
Dividends paid		(31,928)	(10,308)
Net cash used in financing activities		(38,344)	(16,572)
Net increase in cash and cash equivalents		127,658	64,241
Cash and cash equivalents at 1 January		373,040	308,195
Effect of exchange rate fluctuations on cash held		(369)	604
Cash and cash equivalents at 31 December	12	500,329	373,040

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 28 March 2025.

1. DOMICILE AND ACTIVITIES

China Aviation Oil (Singapore) Corporation Ltd (the “Company”) is a company incorporated in the Republic of Singapore. The address of the Company’s registered office, which is also its principal place of business is 8 Temasek Boulevard, #31-02 Suntec Tower Three, Singapore 038988.

The financial statements of the Group as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group entities”) and the Group’s interest in equity-accounted investees.

The principal activities of the Group are those relating to trading and supply of jet fuel and trading of other petroleum products, and investment holding.

The immediate and ultimate holding company during the financial year is China National Aviation Fuel Group Limited (“CNAF”), a company incorporated in the People’s Republic of China (“PRC”).

2. BASIS OF PREPARATION

2.1 Statement of compliance

The financial statements have been prepared in accordance with the provisions of the Companies Act 1967 and Singapore Financial Reporting Standards (International) (“SFRS(I)s”).

2.2 Basis of accounting

The financial statements have been prepared on the historical cost basis except as otherwise described in the notes below.

Where an accounting policy information is not disclosed in the financial statements, it is considered as not material and mainly standardised accounting requirements. The accounting policy information that are material and necessary for the understanding of the financial statements are disclosed in Note 3 and the relevant notes to the financial statements.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment*, leasing transactions that are within the scope of SFRS(I) 16 *Leases*, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. BASIS OF PREPARATION (Continued)

2.2 Basis of accounting (Continued)

In addition, for financial reporting purposes, 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.

2.3 Adoption of new and revised standards

On 1 January 2024, the Group and the Company adopted all the revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the disclosures or on the amounts reported for the current or prior years.

2.4 New and revised SFRS(I) in issue but not yet effective

There are a number of standards, amendments to standards, and interpretations that are effective in future accounting periods and the Group has not decided to early adopt. The Group does not expect any of these standards upon adoption will have a material impact to the Group, except as follows:

The SFRS(I) 18 replaces SFRS(I) 1-1 Presentation of Financial Statements and provides guidance on presentation and disclosure in financial statements, focus on the statement of profit or loss.

SFRS(I) 18 introduces:

- New structure on statement of profit or loss with defined subtotals;
- Disclosure related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by accounting standards with adjustments made (e.g. 'adjusted profit or loss'). A reconciliation of MPMs to the nearest total or subtotal calculated in accordance with accounting standards; and
- Enhanced principles on aggregation and disaggregation of financial information which apply to the primary financial statements and notes in general.

SFRS(I) 18 will take effect on 1 January 2027 and management anticipates that the new requirements will change the current presentation and disclosure in the financial statements. An impact assessment regarding the adoption of SFRS(I) 18 is still underway and has not yet been completed.

2.5 Functional and presentation currency

These financial statements are presented in United States ("US") dollars, which is the Company's functional currency. All financial information presented in US dollars has been rounded to the nearest thousand, unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

2. BASIS OF PREPARATION (Continued)

2.6 Use of estimates and judgements

The preparation of financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements and information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are disclosed in Note 28.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, and have been applied consistently by Group entities.

3.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above. When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the financial year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.1 Basis of consolidation (Continued)

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

In the Company's separate financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

3.2 Associates

An associate is an entity over which the Group and the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's and the Company's share of the profit or loss and other comprehensive income of the associate. When the Group's and the Company's share of losses of an associate exceeds the Group's and the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's and the Company's net investment in the associate), the Group and the Company discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group and the Company has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's and the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's and the Company's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.2 Associates (Continued)

The requirements of SFRS(I) 1-36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

When the Group and the Company reduce its ownership interest in an associate but the Group and the Company continue to use the equity method, the Group and the Company reclassify to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate of the Group, profits and losses resulting from the transactions with the associate are recognised in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3.3 Foreign currency

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in United States dollars using exchange rates prevailing at the end of the reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity under the header of foreign currency translation reserve.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.4 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use.

The estimated useful lives for the current and comparative periods are as follows:

Leasehold properties	25 years
Motor vehicles	8 to 10 years
Furniture and fittings	4 to 8 years
Equipment	4 to 8 years
Renovations	5 years
Computers	4 to 5 years

Depreciation methods, useful lives and residual values are reviewed at the end of each reporting period, and adjusted if appropriate.

Fully depreciated assets still in use are retained in the financial statements.

3.5 Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investees.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.5 Intangible assets (Continued)

Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use.

The estimated useful lives for the current and comparative years are as follows:

Software	3 years
Customer contracts	1 year
Concession operating rights	10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.6 Financial instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and de-recognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the time frame established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Despite the foregoing, the Group irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Financial assets (Continued)

Classification of financial assets (Continued)

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial instruments other than purchased or originated credit-impaired financial assets, the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

Interest income is recognised in profit or loss and is included in the “other income” line item.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to present in other comprehensive income subsequent changes in the fair value of an investment in an equity instrument that is neither held for trading.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments; instead, they will be transferred to accumulated profits.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (“ECL”) on trade receivables, other receivables, trade amounts due from related corporations, subsidiaries and associates and financial guarantee contracts. No impairment loss is recognised for investments in equity instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECLs for trade receivables, trade amounts due from related corporations, subsidiaries and associates, and contract assets. The expected credit losses on these financial assets are estimated using a simplified approach based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Group’s debtors operate, obtained from economic expert reports and financial analysts, as well as consideration of various external sources of actual and forecast economic information that relate to the Group’s core operations, namely the commodities market in jet fuel and petroleum products.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Significant increase in credit risk (Continued)

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments from outside parties are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) the financial instrument has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations. The Group considers a financial asset to have low credit risk when it has an internal or external credit rating of "investment grade" as per globally understood definition.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Definition of default

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due, unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event;
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognised in other comprehensive income and does not reduce the carrying amount of the financial asset in the statement of financial position.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

The Group's financial liabilities are subsequently measured at amortised cost using the effective interest method.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group are measured in accordance with the specific accounting policies set out below.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at FVTPL, are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by a Group entity are initially measured at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset, are subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amount of income recognised in accordance with the revenue recognition policies.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.6 Financial instruments (Continued)

Derivative financial instruments

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Company and the Group has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

3.7 Impairment

Associates

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit ("CGU") exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest Group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGU. Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to Groups of CGUs that are expected to benefit from the synergies of the combination.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amounts of any goodwill allocated to the CGU (Group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (Group of CGUs) on a *pro rata* basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.7 Impairment (Continued)

Non-financial assets (Continued)

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

3.8 Inventories

Inventories held for trading purposes are measured at fair value less costs to sell and any changes in fair value less costs to sell are recognised in profit or loss in the period of change.

Inventories held by subsidiaries and associates, for sale to customers, are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average method.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

3.9 Revenue

The Group recognises revenue from the sale of physical oil commodity products including middle distillates and other oil products.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product to a customer.

Sale of physical commodity products

For sale of physical oil commodity products, revenue is recognised when control of the goods is transferred to the customer, being when the goods have been shipped to the customer's specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognised by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

Under the Group's standard contract terms, customers do not have a right of return.

Trading of oil commodity derivatives

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value as at each reporting date. The resulting gain or loss is recognised in profit or loss immediately under revenue.

Dividend income

Dividend income is recognised in profit or loss on the date that the Group's right to receive payment is established.

3.10 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

3. MATERIAL ACCOUNTING POLICY INFORMATION (Continued)

3.11 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment results that are reported to the Group's CEO include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

4. PROPERTY, PLANT AND EQUIPMENT

	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
Group							
Cost							
At 1 January 2024	19,898	2,849	448	733	1,382	1,393	26,703
Additions	–	64	62	28	550	104	808
Written off	–	(34)	(48)	(13)	(87)	(121)	(303)
At 31 December 2024	19,898	2,879	462	748	1,845	1,376	27,208
Accumulated depreciation							
At 1 January 2024	7,429	1,087	219	599	1,115	983	11,432
Depreciation for the financial year	855	659	65	62	92	139	1,872
Written off	–	(33)	(42)	(11)	(82)	(115)	(283)
At 31 December 2024	8,284	1,713	242	650	1,125	1,007	13,021
Carrying amounts							
At 31 December 2024	11,614	1,166	220	98	720	369	14,187
Cost							
At 1 January 2023	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 2023	6,879	462	164	525	1,093	867	9,990
Depreciation for the financial 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 2023	12,469	1,762	229	134	267	410	15,271

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4. PROPERTY, PLANT AND EQUIPMENT (Continued)

	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
Company							
Cost							
At 1 January 2024	19,898	236	297	505	1,296	1,168	23,400
Additions	–	–	–	–	–	42	42
At 31 December 2024	19,898	236	297	505	1,296	1,210	23,442
Accumulated depreciation							
At 1 January 2024	7,429	120	119	480	1,033	819	10,000
Depreciation for the financial year	855	28	53	–	37	114	1,087
At 31 December 2024	8,284	148	172	480	1,070	933	11,087
Carrying amounts							
At 31 December 2024	11,614	88	125	25	226	277	12,355
Cost							
At 1 January 2023	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 2023	6,879	91	64	470	1,012	708	9,224
Depreciation for the financial year	550	29	55	10	21	111	776
At 31 December 2023	7,429	120	119	480	1,033	819	10,000
Carrying amounts							
At 31 December 2023	12,469	116	178	25	263	349	13,400

The followings are properties held by the Group and Company:

Location	Description/ Uses of property	Land area/Built-up area (square meters)	Leasehold term
8 Temasek Boulevard #31-01 Suntec Tower Three Singapore 038988	Office	324	99 years from 1 March 1989
8 Temasek Boulevard #31-02 Suntec Tower Three Singapore 038988	Office	440	99 years from 1 March 1989
8 Temasek Boulevard #31-03 Suntec Tower Three Singapore 038988	Office	377	99 years from 1 March 1989

The unit at #31-03 Suntec Tower Three was acquired in 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5. RIGHT-OF-USE ASSETS

The Group leases several assets including storage facilities, apartments for expatriates, office spaces, equipment and airport franchise. The average lease term is 2 to 5 years.

	Storage facilities US\$'000	Property US\$'000	Office spaces US\$'000	Airport franchise US\$'000	Total US\$'000
Group					
Cost					
At 1 January 2024	8,375	321	1,876	1,771	12,343
Additions	–	50	2,993	–	3,043
Reassessment	(55)	–	–	–	(55)
Written off	(5,605)	(250)	(1,703)	–	(7,558)
At 31 December 2024	2,715	121	3,166	1,771	7,773
Accumulated depreciation					
At 1 January 2024	3,770	164	1,772	865	6,571
Depreciation for the financial year	4,452	152	713	572	5,889
Reassessment	(66)	–	–	–	(66)
Written off	(5,605)	(200)	(1,703)	–	(7,508)
At 31 December 2024	2,551	116	782	1,437	4,886
Carrying amounts					
At 31 December 2024	164	5	2,384	334	2,887
Cost					
At 1 January 2023	40,806	552	4,453	1,657	47,468
Additions	5,778	121	–	–	5,899
Reassessment	–	–	–	114	114
Written off	(38,209)	(352)	(2,577)	–	(41,138)
At 31 December 2023	8,375	321	1,876	1,771	12,343
Accumulated depreciation					
At 1 January 2023	31,756	335	3,101	305	35,497
Depreciation for the financial year	4,484	182	750	560	5,976
Written off	(32,470)	(353)	(2,079)	–	(34,902)
At 31 December 2023	3,770	164	1,772	865	6,571
Carrying amounts					
At 31 December 2023	4,605	157	104	906	5,772

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5. RIGHT-OF-USE ASSETS (Continued)

	Storage facilities US\$'000	Property US\$'000	Office spaces US\$'000	Total US\$'000
Company				
Cost				
At 1 January 2024	5,778	233	977	6,988
Additions	–	–	402	402
Reassessment	(173)	–	–	(173)
Written off	(5,605)	(112)	(977)	(6,694)
At 31 December 2024	–	121	402	523
Accumulated depreciation				
At 1 January 2024	2,183	116	928	3,227
Depreciation for the financial year	3,422	112	183	3,717
Written off	(5,605)	(112)	(977)	(6,694)
At 31 December 2024	–	116	134	250
Carrying amounts				
At 31 December 2024	–	5	268	273
Cost				
At 1 January 2023	38,209	464	2,942	41,615
Additions	5,778	121	–	5,899
Written off	(38,209)	(352)	(1,965)	(40,526)
At 31 December 2023	5,778	233	977	6,988
Accumulated depreciation				
At 1 January 2023	31,034	331	1,951	33,316
Depreciation for the financial year	3,619	138	445	4,202
Written off	(32,470)	(353)	(1,468)	(34,291)
At 31 December 2023	2,183	116	928	3,227
Carrying amounts				
At 31 December 2023	3,595	117	49	3,761

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. 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 2024	4,289	634	8,353	4,049	17,325
Additions	–	–	–	107	107
At 31 December 2024	4,289	634	8,353	4,156	17,432
Accumulated amortisation					
At 1 January 2024	–	–	1,673	3,951	5,624
Amortisation for the financial year	–	–	1,057	60	1,117
At 31 December 2024	–	–	2,730	4,011	6,741
Impairment					
At 1 January 2024 and 31 December 2024	4,289	634	–	–	4,923
Carrying amounts					
At 31 December 2024	–	–	5,623	145	5,768
Cost					
At 1 January 2023	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 2023	–	–	616	3,884	4,500
Amortisation for the financial year	–	–	1,057	67	1,124
At 31 December 2023	–	–	1,673	3,951	5,624
Impairment					
At 1 January 2023	914	634	–	–	1,548
Charged for the financial year	3,375	–	–	–	3,375
At 31 December 2023	4,289	634	–	–	4,923
Carrying amounts					
At 31 December 2023	–	–	6,680	98	6,778

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6. INTANGIBLE ASSETS (Continued)

Impairment testing of goodwill

During the financial year ended 31 December 2023, the recoverable amounts of the CGUs were determined based on its value-in-use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of the CGUs.

Key assumptions used in the estimation of value-in-use were as follows:

	2023	
	CNAF Hong Kong Refuelling Limited ("CNAF HKR") %	China Aviation Oil (Hong Kong) Company Limited ("CAOHK") %
Discount rate	11	8
Long-term growth rate	N/A	1
Forecasted earnings before interest, tax, depreciation and amortisation ("EBITDA") growth rate based on average of next 5 to 18 years	8	1

The discount rate used was estimated based on past experience and industry weighted average cost of capital.

The long-term growth rate was determined based on the long-term compound annual growth rate estimated by management with reference to the nominal GDP growth rate for the countries in which the CGU is based.

The forecasted EBITDA growth rates were estimated based on management's past experience of managing the CGUs and their expectations of the CGUs forecasted performances.

In relation to the determination of the recoverable amount of the CNAF HKR CGU, management determines that key assumptions relate to discount rates and long term revenue growth rates. An increase or decrease of discount rate of 1% will result in a decrease or increase in recoverable amount of US\$510,000 or US\$570,000 respectively. An increase or decrease in the long-term growth rate had no impact on the recoverable amount for 2023.

The goodwill arising from acquisitions of subsidiaries had been fully impaired in the previous financial year.

	Software	
	2024 US\$'000	2023 US\$'000
Company Cost		
At 1 January	4,049	3,973
Additions	107	76
At 31 December	4,156	4,049
Accumulated amortisation		
At 1 January	3,951	3,884
Amortisation for the financial year	60	67
At 31 December	4,011	3,951
Carrying amounts		
At 31 December	145	98

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

7. SUBSIDIARIES

	Company	
	2024 US\$'000	2023 US\$'000
Cost of investments	78,996	76,637
Accumulated impairment	(42,068)	(41,026)
	<u>36,928</u>	<u>35,611</u>

Details of the subsidiaries are as follows:

Name of subsidiary	Country of incorporation	Principal activity	Company Proportion of ownership interest and voting rights held	
			2024 %	2023 %
China Aviation Oil (Hong Kong) Company Limited ("CAOHK") ^{(1) (4)}	Hong Kong SAR	Supply of jet fuel	100	100
North American Fuel Corporation ("NAFCO") ^{(2) (4)}	United States of America	Trading and supply of jet fuel	100	100
China Aviation Fuel (Europe) Limited ("CAFEU") ^{(3) (4)}	United Kingdom	Trading and supply of jet fuel	100	100
CNAF Hong Kong Refuelling Limited ("CNAF HKR") ^{(1) (4)}	Hong Kong SAR	Into-plane fuelling service	68	68

⁽¹⁾ Audited by BDO Limited, for statutory audit purposes

⁽²⁾ Audited by Hu and Company Accountancy Corporation, for statutory audit purposes

⁽³⁾ Audited by Fuller & Roper Limited, for statutory audit purposes

⁽⁴⁾ Audited by BDO LLP, Singapore, for consolidation purposes

The Company issued financial guarantees to banks and trading counterparties on behalf of its subsidiaries. The fair value of the financial guarantees issued during the year amounted to US\$2,359,000 (2023: US\$1,732,000) and is accounted for as additional investment in the subsidiaries. The carrying amount of the financial guarantees at the end of the financial year amounted to US\$42,347,000 (2023: US\$39,988,000).

The financial guarantees were given by the Company to the banks on behalf of its subsidiaries for banking facilities amounting to US\$78,600,000 (2023: US\$78,600,000). It is a continuing financial guarantee issued to the banks.

The financial guarantees amounting to US\$439,100,000 (2023: US\$368,700,000) were given by the Company to trading counterparties on behalf of its subsidiaries for credit terms extended by the trading counterparties to the subsidiaries.

At the reporting date, the Company does not consider it probable that a claim will be made against the Company under these guarantees.

During the financial year, the Company carried out a review of the recoverable amount of its investment in subsidiaries. The review led to the recognition of an impairment loss of US\$1,042,000 (2023: US\$1,042,000) that has been recognised in profit or loss of the Company. The Company estimated the fair value less cost of disposal were assessed to be the subsidiaries adjusted net asset. This fair value measurement is categorised as a Level 3 of the fair value hierarchy based on the inputs used.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

8. ASSOCIATES

	Group and Company	
	2024	2023
	US\$'000	US\$'000
Investments in associates	264,273	253,149

Name of associate	Country of incorporation	Ownership	
		2024	2023
		%	%
Shanghai Pudong International Airport Aviation Fuel Supply Company Ltd ("SPIA") ⁽¹⁾	PRC	33	33
Shenzhen Zhenghe Petrochemicals Co., Ltd ("Zhenghe") ⁽²⁾	PRC	40	39
Oilhub Korea Yeosu Co., Ltd. ("OKYC") ⁽²⁾	Republic of Korea	26	26
China National Aviation Fuel TSN-PEK Pipeline Transportation Corp Ltd ("TSN-PEKCL") ⁽²⁾	PRC	49	49

⁽¹⁾ Audited by Wuyige Certified Public Accountants LLP Shanghai Free Trade Zone Branch Office, a member of the Chinese Institute of Certified Public Accountants, for statutory audit purpose.

Audited by an overseas member firm of BDO network in the People's Republic of China for consolidation purpose.

⁽²⁾ Not considered a significant component under Rule 718 of the SGX-ST Listing Manual.

The Company had on 28 June 2024 acquired 1% of the total equity interest of Zhenghe from its parent company, China National Aviation Fuel Group Limited for a total cash consideration of US\$164,435. With the acquisition, the Company owns 40% of the total equity interest in Zhenghe.

Movement of impairment on investment in associate:

	Group and Company	
	2024	2023
	US\$'000	US\$'000
At beginning of financial year	8,654	–
Charge during the financial year	–	8,654
At end of financial year	8,654	8,654

The recoverable amount of National Aviation Fuel TSN-PEK Pipeline Transportation Corporation Ltd ("TSN-PEKCL") was determined based on its value-in-use, determined by discounting the pre-tax future cash flows to be generated from the continuing use of TSN-PEKCL. In the current year, management assessed that the carrying amount of the TSN-PEKCL was determined to be approximate its recoverable amount.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

8. ASSOCIATES (Continued)

Key assumptions used in the estimation of value-in-use were as follows:

	TSN-PEKCL	
	2024	2023
	%	%
Discount rate ⁽¹⁾	12	12
Long-term growth rate ⁽²⁾	2	2
Revenue growth rate ⁽³⁾	4	7

⁽¹⁾ The discount rate used is estimated based on past experience and industry weighted average cost of capital.

⁽²⁾ The long-term growth rate has been determined based on the long-term compound annual growth rate estimated by management with reference to the country's inflation rate for the country in which TSN-PEKCL is based.

⁽³⁾ The revenue growth rates are estimated based on management's past experience of managing TSN-PEKCL and their expectations of TSN-PEKCL's forecasted performance.

Management determines that key assumptions relate to discount rates, long-term growth rates and revenue growth rates. A change of the respective variables will result in:

	Increase/(Decrease) in recoverable amount			
	2024		2023	
	US\$'000	US\$'000	US\$'000	US\$'000
Increase or decrease in discount rate by 1%	(757)	939	(981)	1,215
Increase or decrease in long-term growth rate by 1%	456	(370)	582	(472)
Increase or decrease in revenue growth rate by 1%	2,524	(2,334)	5,892	(5,504)

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	PRC
Ownership interest/Voting rights held	33% (2023: 33%)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

8. ASSOCIATES (Continued)

The following summarises the financial information of the Group's material associate based on its respective financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies. The table also analyses, in aggregate, the carrying amount and share of profit and other comprehensive income of the remaining individually immaterial associates.

	SPIA US\$'000	Immaterial associates US\$'000	Total US\$'000
2024			
Revenue	3,556,610	57,831	3,614,441
Profit for the financial year, representing total comprehensive income	134,768	6,793	141,561
Non-current assets	40,763	291,971	332,734
Current assets	694,713	57,127	751,840
Non-current liabilities	–	(90,657)	(90,657)
Current liabilities	(203,895)	(59,273)	(263,168)
Net assets	531,581	199,168	730,749
Group's interest in net assets of investee at beginning of the financial year	159,380	67,328	226,708
Additional investment	–	164	164
Group's fair value adjustment at beginning of the financial year	–	4,733	4,733
Group's share of total comprehensive income	44,473	1,421	45,894
Group's share of profit for the financial year	44,473	1,895	46,368
Group's share of fair value adjustment	–	(474)	(474)
Dividend declared during the financial year	(26,376)	–	(26,376)
Group's share of translation differences for the financial year	(2,556)	(6,003)	(8,559)
Goodwill	21,709	–	21,709
Carrying amount of interest in investee at end of the financial year	196,630	67,643	264,273
Carrying amount of fair value adjustment at end of the financial year	–	4,259	4,259

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

8. ASSOCIATES (Continued)

	SPIA US\$'000	Immaterial associates US\$'000	Total US\$'000
2023			
Revenue	2,955,976	51,498	3,007,474
Profit for the financial year, representing total comprehensive income	100,885	871	101,756
Non-current assets	43,850	342,444	386,294
Current assets	714,288	48,149	762,437
Non-current liabilities	–	(130,143)	(130,143)
Current liabilities	(273,653)	(45,891)	(319,544)
Net assets	484,485	214,559	699,044
Group's interest in net assets of investee at beginning of the financial year	152,188	71,251	223,439
Group's fair value adjustment at beginning of the financial year	–	13,644	13,644
Group's share of total comprehensive income/(loss)	31,461	(1,143)	30,318
Group's share of profit for the financial year	31,461	98	31,559
Group's share of fair value adjustment	–	(1,241)	(1,241)
Dividend declared during the financial year	(22,067)	(3,098)	(25,165)
Group's share of translation differences for the financial year	(2,202)	(924)	(3,126)
Goodwill	21,709	984	22,693
Impairment on goodwill	–	(984)	(984)
Impairment on fair value	–	(7,670)	(7,670)
Carrying amount of interest in investee at end of the financial year	181,089	72,060	253,149
Carrying amount of fair value adjustment at end of the financial year	–	4,733	4,733

During the financial year, dividends declared by associates amounting to US\$26,376,000 (2023: US\$25,165,000) were received during the financial year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

9. FINANCIAL ASSET AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group	
	2024	2023
	US\$'000	US\$'000
Investment in equity instrument designated as at FVTOCI		
– unquoted equity shares	5,500	5,500

The investment in unquoted equity instrument represents investment in a company that is incorporated in the Netherlands which holds the concession from the Schiphol Airport Authority to manage the storage and distribution of jet fuels on behalf of its shareholders to airlines at Amsterdam Airport Schiphol.

This investment 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.

10. INVENTORIES

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Trading inventories at fair value less costs to sell	27,546	10,445	16,713	886
Inventories at the lower of cost and net realisable value	43,422	77,820	–	–
	70,968	88,265	16,713	886

The inventories recognised in cost of sales amounted to US\$15,373,114,000 (2023: US\$14,254,352,000) for the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Trade receivables	470,564	351,429	366,329	146,368
Other receivables	36,361	49,984	21,278	31,698
Amounts due from:				
– subsidiaries (trade)	–	–	125,327	312,121
– related corporations (trade)	422,895	435,365	304,170	304,647
– related corporations of a corporate shareholder (trade)	74,885	37,587	74,885	36,639
– associates (trade)	39,457	117,012	39,457	117,012
– subsidiaries (non-trade)	–	–	112,363	83,759
	537,237	589,964	656,202	854,178
	1,044,162	991,377	1,043,809	1,032,244
Loss allowance trade receivables	(7,484)	(7,223)	(6,369)	(6,358)
Trade and other receivables	1,036,678	984,154	1,037,440	1,025,886
Derivative financial assets				
– oil commodity derivatives	13,419	9,959	12,255	5,579
	1,050,097	994,113	1,049,695	1,031,465
Prepayments	76,970	45,626	–	–
	1,127,067	1,039,739	1,049,695	1,031,465

Trade receivables

Transactions with subsidiaries, associates and related corporations are priced on terms agreed between parties. Outstanding balances with subsidiaries and related corporations are unsecured.

Loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses (“ECL”). The ECL on trade receivables are estimated by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date. The Group has recognised a loss allowance of 100% against all receivables for customers that have defaulted and declared bankruptcy.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. TRADE AND OTHER RECEIVABLES (Continued)

Trade receivables (Continued)

The following table details the risk profile of trade receivables from contracts with customers based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

	Expected credit loss rate ⁽¹⁾		Estimated total gross carrying amount at default ⁽²⁾		Lifetime ECL ⁽²⁾	
	Group %	Company %	Group US\$'000	Company US\$'000	Group US\$'000	Company US\$'000
Customer ratings						
31 December 2024						
Grade A1	0.027	0.027	1,580	125,327	*	*
Grade A2	0.096	0.096	211,390	211,390	148	131
Grade B1	0.205	0.205	266,802	201,511	465	337
Grade B2	0.369	0.369	456,392	367,439	1,713	1,498
Grade C1	1.041	1.041	13,794	–	19	–
Grade C2	1.635	1.635	34,565	12	187	–
Grade D1	3.313	3.313	3,542	–	19	–
Grade D2	4.996	4.996	9,338	–	125	–
Grade E	15.422	15.422	2,730	102	193	16
Grade F	56.296	56.296	3,272	–	219	–
Total			1,003,405	905,781	3,088	1,982
31 December 2023						
Grade A1	0.027	0.027	–	312,121	*	*
Grade A2	0.096	0.096	151,935	61,271	146	59
Grade B1	0.205	0.205	143,919	57,984	279	119
Grade B2	0.369	0.369	573,216	479,682	2,030	1,771
Grade C1	1.041	1.041	13,446	–	45	–
Grade C2	1.635	1.635	40,699	1,342	161	22
Grade D1	3.313	3.313	5,796	–	52	–
Grade D2	4.996	4.996	6,534	–	61	–
Grade E	15.422	15.422	1,372	–	42	–
Grade F	56.296	56.296	80	–	11	–
Total			936,997	912,400	2,827	1,971

* Represent amount less than US\$1,000

⁽¹⁾ Expected credit loss rate includes debtors without credit insurance.

⁽²⁾ The estimated total gross carrying amount at default and lifetime ECL have excluded the Group and the Company's individually credit-impaired customers of US\$4,396,000 and US\$4,387,000 respectively for the financial year ended 31 December 2024 (31 December 2023: US\$4,396,000 and US\$4,387,000 respectively).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

11. TRADE AND OTHER RECEIVABLES (Continued)

Trade receivables (Continued)

The table below shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in SFRS(I) 9:

	Lifetime ECL – not credit-impaired		Lifetime ECL – credit-impaired		Total	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Group						
At beginning of financial year	2,827	1,919	4,396	4,143	7,223	6,062
Change in loss allowance	261	908	–	253	261	1,161
At end of financial year	3,088	2,827	4,396	4,396	7,484	7,223
Company						
At beginning of financial year	1,971	1,271	4,387	4,134	6,358	5,405
Change in loss allowance	11	700	–	253	11	953
At end of financial year	1,982	1,971	4,387	4,387	6,369	6,358

The tables below explain how significant changes in the gross carrying amount of the trade receivables contributed to changes in the loss allowance. Changes in the loss allowance are primarily attributable to the origination of new trade receivables net of those settled during the reporting periods.

	Increase in lifetime ECL			
	Group		Company	
	2024 Not credit- impaired US\$'000	2023 Credit- impaired US\$'000	2024 Not credit- impaired US\$'000	2023 Credit- impaired US\$'000
31 December 2024				
Probable default by the customer	261	–	11	–
31 December 2023				
Probable default by the customer	908	253	700	253

NOTES TO THE FINANCIAL STATEMENTS

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11. TRADE AND OTHER RECEIVABLES (Continued)

Other receivables and amounts due from subsidiaries (non-trade)

For the purpose of impairment assessment, the other receivables and amounts due from subsidiaries (non-trade) are considered to have low credit risk as there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for these receivables, the loss allowance is measured at an amount equal to 12-month expected credit losses ("ECL").

In determining the ECL, management has taken into account the financial position of the debtors and subsidiaries, adjusted for factors that are specific to the debtors and subsidiaries general economic conditions of the industry in which the debtors operate, in estimating the probability of default of the other receivables and subsidiaries as well as the loss upon default. Management determines the other receivables and amounts due from subsidiaries (non-trade) subject to immaterial credit loss.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The Group's and the Company's exposures to credit risk (including loss allowance), foreign currency risk, and fair values of derivatives are disclosed in Note 19 and 26.

12. CASH AND CASH EQUIVALENTS

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Cash at bank				
Interest-bearing	61,584	54,528	49,839	43,307
Non-interest bearing	3,588	1,428	655	1,090
Interest-bearing fixed deposits with financial institutions	435,157	317,084	432,853	314,884
Cash and cash equivalents in the consolidated statement of cash flows	500,329	373,040	483,347	359,281

As at 31 December 2024, interest-bearing fixed deposits of US\$435,157,000 (2023: US\$317,084,000) were placed with a related corporation, China National Aviation Fuel Finance Co., Ltd. The related corporation is a financial institution approved by the China Banking Regulatory Commission and is based in PRC.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

12. CASH AND CASH EQUIVALENTS (Continued)

The weighted average effective interest rates per annum relating to interest-bearing deposits with financial institutions at the reporting date are as disclosed below:

	2024		2023	
	Interest rate %	Carrying amount US\$'000	Interest rate %	Carrying amount US\$'000
Group				
Cash at bank	2.5	61,584	3.0	54,528
US\$ fixed deposits	4.6	420,204	5.6	307,200
RMB fixed deposit	1.8	14,953	2.6	9,884
		<u>496,741</u>		<u>371,612</u>
Company				
Cash at bank	3.0	49,839	3.7	43,307
US\$ fixed deposits	4.6	417,900	5.6	305,000
RMB fixed deposit	1.8	14,953	2.6	9,884
		<u>482,692</u>		<u>358,191</u>

The Group's and the Company's exposure to foreign currency and interest rate risks are disclosed in Note 19 and 26.

13. SHARE CAPITAL

	Group and Company			
	2024		2023	
	Number of shares ('000)	US\$ ('000)	Number of shares ('000)	US\$ ('000)
Fully paid ordinary shares, with no par value				
In issue at 31 December	866,184	215,573	866,184	215,573

The Company's share capital includes 6,000,000 (2023: 6,000,000) treasury shares amounting to US\$5,482,000 (2023: US\$5,482,000).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

All rights attached to the ordinary shares are suspended for the Company's own shares bought back and held by the Group. Such rights are reinstated when these shares are reissued.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

13. SHARE CAPITAL (Continued)

Capital management

The Company defines capital as share capital and reserves. The consolidated share capital and reserves attributable to equity owners of the Company amounted to US\$986,270,000 (2023: US\$948,400,000). The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Group defines as net operating income divided by total shareholders' equity. The Board also monitors the level of dividends declared to ordinary shareholders.

From time to time, the Company may purchase its own shares in the market; the timing of these purchases depends on market prices. The purchase price (excluding brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for the shares is determined by the Directors or such authorised personnel as appointed by the Board of Directors for the purposes of effecting purchases or acquisitions of shares by the Company under the Share Purchase Mandate.

There were no changes in the Group's approach to capital management during the financial year. There is no externally imposed capital requirements to the Group and Company for the financial years ended 31 December 2024 and 2023.

14. RESERVES

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Foreign currency translation reserve (a)	(17,300)	(8,741)	(17,300)	(8,741)
Statutory reserves (b)	37,269	37,220	37,269	37,220
Reserve for own shares (c)	(5,482)	(5,482)	(5,482)	(5,482)
Accumulated profits	756,210	709,830	727,980	684,462
	<u>770,697</u>	<u>732,827</u>	<u>742,467</u>	<u>707,459</u>

- (a) The foreign currency translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the presentation currency of the Group and the Company.
- (b) The associates of the Group ("PRC Associates") established in PRC follow the accounting principles and relevant financial regulations of the PRC applicable to enterprises established in PRC ("PRC GAAP") in the preparation of the accounting records and its financial statements. Under the relevant PRC regulations, the PRC associates transferred a portion of their accumulated profits to statutory reserve for the following purposes:

Statutory reserves

Pursuant to accounting regulations for foreign-invested PRC enterprises and the PRC Company Law, the associates are required to appropriate 10% of the profit arrived at in accordance with PRC GAAP for each year to a statutory reserve. The profit arrived at must be used to set off against any accumulated losses. The appropriation to statutory reserve, after offsetting against any accumulated losses, must be made before the distribution of dividends to shareholders. The appropriation is required until the statutory reserve reaches 50% of the registered capital. This statutory reserve is not distributable in the form of cash dividends. During the current and immediate preceding financial year, SPIA did not appropriate any profit to the statutory reserve as the statutory reserve of SPIA has reached 50% of its registered capital. The movement in statutory reserve in the current year is contributed by TSN-PEKCL.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

14. RESERVES (Continued)

- (c) The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. At 31 December 2024, the Group held 6,000,000 (2023: 6,000,000) of the Company's shares.
- (d) The following (one-tier tax exempt) dividends were declared and paid by the Group and Company:

	Group and Company	
	2024	2023
	US\$'000	US\$'000
Final exempt dividends paid in respect of the previous financial year of S\$0.0271 (2023: S\$0.016) per share	17,134	10,308
Special exempt dividends paid in respect of the previous financial year of S\$0.0234 (2023: S\$ nil) per share	14,794	–
Total	<u>31,928</u>	<u>10,308</u>

- (e) After the reporting date as at 31 December 2024, the Directors have proposed a final (one-tier tax exempt) ordinary dividend of S\$0.0372 per share amounting to US\$23,519,000. The dividends have not been provided for.

15. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are attributable to the following:

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Deferred tax assets				
Deductible temporary differences	720	–	–	–
Deferred tax liabilities				
Investments in associates	(9,201)	(7,952)	(9,201)	(7,952)

Movements in temporary differences during the financial year are as follows:

	At 1 January 2023	Recognised in profit or loss	At 31 December 2023	Recognised in profit or loss	At 31 December 2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group					
Deductible temporary differences	–	–	–	720	720
Investments in associates	(7,501)	(451)	(7,952)	(1,249)	(9,201)
	<u>(7,501)</u>	<u>(451)</u>	<u>(7,952)</u>	<u>(529)</u>	<u>(8,481)</u>
Company					
Investments in associates	(7,501)	(451)	(7,952)	(1,249)	(9,201)

At the end of the reporting period, deferred tax assets associated with unrealised trade losses have been recognised due to the certainty of the availability of future taxable profit against which the Group can utilise the benefits therefrom.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

15. DEFERRED TAX ASSETS AND LIABILITIES (Continued)

International Tax Reform – BEPS 2.0 Pillar Two GloBE Rules

The Group is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Singapore, the jurisdiction in which the Company is incorporated, and will come into effect from 1 January 2025. The Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes. Under the legislation, the Group is liable to pay a top-up tax for the difference between the GloBE effective tax rate (“ETR”) for each jurisdiction and the 15% minimum rate. The Group has ETRs that exceed 15% in all jurisdictions in which it operates except for Singapore.

Based on the preliminary assessment of the potential exposure of Pillar Two income taxes in 2024, the management viewed that the impact was not expected to be material to the financial year ending 31 December 2025. However, the Group will continue to monitor and progress on the development of Pillar Two income taxes.

16. TRADE AND OTHER PAYABLES

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Trade payables	908,265	319,851	837,790	241,195
Other payables and accruals	40,087	63,096	36,164	56,288
Amounts due to:				
– holding company (non-trade)	10,127	10,126	–	–
– subsidiary (trade)	–	–	223	11,861
– related corporation (trade)	–	404,135	–	403,488
– related corporation of a corporate shareholder (trade)	510	7,273	–	–
– subsidiaries (non-trade)	–	–	–	40,192
Trade and other payables	958,989	804,481	874,177	753,024
Derivative financial liabilities				
– oil commodity derivatives	20,531	9,139	18,828	6,754
	979,520	813,620	893,005	759,778
Receipts in advance	1,523	–	–	–
	981,043	813,620	893,005	759,778

Amounts due to holding company, subsidiaries and related corporations are unsecured, interest-free and repayable on demand.

The Group's and the Company's exposures to foreign currency, liquidity risks and fair values of derivatives are disclosed in Note 19 and 26.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

17. CONTRACT LIABILITIES

	Group	
	2024	2023
	US\$'000	US\$'000
Current	4,162	3,619

Changes in contract liabilities

	Group	
	2024	2023
	US\$'000	US\$'000
At 1 January	3,619	4,916
Amount recognised as revenue	(3,619)	(4,916)
Cash received in advance of performance and not recognised as revenue	4,162	3,619
At 31 December	4,162	3,619

Revenue is recognised when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. When the customer initially purchases the goods, the transaction price received at that point by the Group is recognised as contract liability until the goods have been delivered to the customer. The delivery of goods are expected to be fulfilled within the next 12 months.

18. LEASE LIABILITIES

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Analysed as				
Non-current	1,678	734	51	3
Current	1,644	5,559	226	3,844
	3,322	6,293	277	3,847

Maturity analysis of lease liabilities based on undiscounted gross cash flows:

– Not later than a year	1,665	5,718	226	3,957
– Between one and two years	606	604	62	5
– Between two and five years	1,303	–	–	–
	3,574	6,322	288	3,962

The Group does not face a significant liquidity risk with regards to its lease liabilities. Lease liabilities are monitored within the Group's finance function.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

18. LEASE LIABILITIES (Continued)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows, as cash flows from financing activities.

The cash flows represent the repayment of lease liabilities in the consolidated statement of cash flows.

	Group	
	2024	2023
	US\$'000	US\$'000
1 January	6,293	12,564
Financing cash flow		
– Principal	(5,969)	(5,973)
– Interest	(319)	(289)
New leases	3,043	5,899
Re-assessment	(11)	114
Cancellation of leases	(58)	(6,309)
Interest charges	319	289
Exchange differences	24	(2)
31 December	3,322	6,293

The total cash outflows for all leases including low value and short-term leases were approximate US\$12,221,000 (2023: US\$12,792,000).

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS

Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

Financial assets

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Amortised cost				
Trade and other receivables	1,036,678	984,154	1,037,440	1,025,886
Cash and cash equivalents	500,329	373,040	483,347	359,281
	<u>1,537,007</u>	<u>1,357,194</u>	<u>1,520,787</u>	<u>1,385,167</u>
Fair value through profit or loss				
Derivative financial assets	13,419	9,959	12,255	5,579
Fair value through other comprehensive income				
Equity instrument	5,500	5,500	–	–

Financial liabilities

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Amortised cost				
Trade and other payables	958,989	804,481	874,177	753,024
Lease liabilities	3,322	6,293	277	3,847
	<u>962,311</u>	<u>810,774</u>	<u>874,454</u>	<u>756,871</u>
Fair value through profit or loss				
Derivative financial liabilities	20,531	9,139	18,828	6,754

Credit risk

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date is:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Trade and other receivables	1,036,678	984,154	1,037,440	1,025,886
Cash and cash equivalents	500,329	373,040	483,347	359,281
Derivative financial assets	13,419	9,959	12,255	5,579
	<u>1,550,426</u>	<u>1,367,153</u>	<u>1,533,042</u>	<u>1,390,746</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Credit risk (Continued)

Loss allowance

The ageing of trade and other receivables (excluding derivative financial assets and prepayments) at the reporting date is:

	2024		2023	
	Gross US\$'000	Loss allowance US\$'000	Gross US\$'000	Loss allowance US\$'000
Group				
Not past due	973,738	(2,823)	915,295	(2,566)
1 to 30 days	66,028	(265)	71,686	(261)
31 to 90 days	–	–	–	–
Over 90 days	4,396	(4,396)	4,396	(4,396)
	<u>1,044,162</u>	<u>(7,484)</u>	<u>991,377</u>	<u>(7,223)</u>
Company				
Not past due	930,837	(1,770)	971,282	(1,762)
1 to 30 days	103,634	(212)	56,575	(209)
31 to 90 days	4,951	–	–	–
Over 90 days	4,387	(4,387)	4,387	(4,387)
	<u>1,043,809</u>	<u>(6,369)</u>	<u>1,032,244</u>	<u>(6,358)</u>

The Group's and the Company's loss allowance for trade receivables has been measured at an amount equal to lifetime expected credit losses and individually assessed credit impaired.

The movements in the loss allowance in respect of trade and other receivables during the financial year are as follows:

	2024 US\$'000	2023 US\$'000
Group		
At 1 January	7,223	6,062
Loss allowance – net	261	1,161
At 31 December	<u>7,484</u>	<u>7,223</u>
Company		
At 1 January	6,358	5,405
Loss allowance – net	11	953
At 31 December	<u>6,369</u>	<u>6,358</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

The following are the expected contractual undiscounted cash outflows of financial liabilities, including interest payments and excluding the impact of netting arrangements:

	Contractual cash flows US\$'000	Cash flows		
		Within 1 year US\$'000	Between 1 and 2 years US\$'000	Between 2 and 5 years US\$'000
Group				
2024				
Non-derivative financial liabilities				
Trade and other payables ⁽ⁱ⁾	(958,989)	(958,989)	–	–
Lease liabilities	(3,574)	(1,665)	(606)	(1,303)
Oil commodity derivatives				
Gross outflows ⁽ⁱⁱ⁾				
– Oil physical derivative instruments purchase contracts	(907,607)	(907,607)	–	–
Net outflows				
– Oil paper derivative instruments	(5,085)	(5,085)	–	–
	<u>(1,875,255)</u>	<u>(1,873,346)</u>	<u>(606)</u>	<u>(1,303)</u>
2023				
Non-derivative financial liabilities				
Trade and other payables ⁽ⁱ⁾	(804,481)	(804,481)	–	–
Lease liabilities	(6,322)	(5,718)	(604)	–
Oil commodity derivatives				
Gross outflows ⁽ⁱⁱ⁾				
– Oil physical derivative instruments purchase contracts	(220,223)	(220,223)	–	–
Net outflows				
– Oil paper derivative instruments	(3,646)	(3,646)	–	–
	<u>(1,034,672)</u>	<u>(1,034,068)</u>	<u>(604)</u>	<u>–</u>

⁽ⁱ⁾ Excludes derivative financial liabilities and receipts in advance.

⁽ⁱⁱ⁾ The gross outflows represent the undiscounted cash outflows of the outstanding oil physical derivative instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk (Continued)

	Cash flows			
	Contractual cash flows US\$'000	Within 1 year US\$'000	Between 1 and 2 years US\$'000	Between 2 and 5 years US\$'000
Company				
2024				
Non-derivative financial liabilities				
Trade and other payables ⁽ⁱ⁾	(874,177)	(874,177)	–	–
Lease liabilities	(288)	(226)	(62)	–
Oil commodity derivatives				
Gross outflows ⁽ⁱⁱ⁾				
– Oil physical derivative instruments purchase contracts	(793,185)	(793,185)	–	–
Net outflows				
– Oil paper derivative instruments	(4,276)	(4,276)	–	–
	<u>(1,671,926)</u>	<u>(1,671,864)</u>	<u>(62)</u>	<u>–</u>
2023				
Non-derivative financial liabilities				
Trade and other payables ⁽ⁱ⁾	(753,024)	(753,024)	–	–
Lease liabilities	(3,962)	(3,957)	(5)	–
Oil commodity derivatives				
Gross outflows ⁽ⁱⁱ⁾				
– Oil physical derivative instruments purchase contracts	(126,961)	(126,961)	–	–
Net outflows				
– Oil paper derivative instruments	(3,692)	(3,692)	–	–
	<u>(887,639)</u>	<u>(887,634)</u>	<u>(5)</u>	<u>–</u>

⁽ⁱ⁾ Excludes derivative financial liabilities and receipts in advance.

⁽ⁱⁱ⁾ The gross outflows represent the undiscounted cash outflows of the outstanding oil physical derivative instruments.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk

Exposure to foreign currency risk

The Group's and Company's exposures to foreign currency risk were as follows based on notional amounts:

	Singapore dollar US\$'000	Renminbi US\$'000	Hong Kong dollar US\$'000	Euro US\$'000	British pound US\$'000
Group					
2024					
Trade and other receivables	189	117	890	77	66
Cash and cash equivalents	696	14,993	165	2,279	131
Trade and other payables	(2,066)	(259)	(937)	(89)	(322)
	<u>(1,181)</u>	<u>14,851</u>	<u>118</u>	<u>2,267</u>	<u>(125)</u>
2023					
Trade and other receivables	177	122	48	67	71
Cash and cash equivalents	988	10,055	53	40	325
Trade and other payables	(6,041)	(310)	(275)	(1,680)	(730)
	<u>(4,876)</u>	<u>9,867</u>	<u>(174)</u>	<u>(1,573)</u>	<u>(334)</u>
Company					
2024					
Trade and other receivables	189	86			
Cash and cash equivalents	696	14,978			
Trade and other payables	(2,066)	(120)			
	<u>(1,181)</u>	<u>14,944</u>			
2023					
Trade and other receivables	177	55			
Cash and cash equivalents	988	10,012			
Trade and other payables	(6,041)	(164)			
	<u>(4,876)</u>	<u>9,903</u>			

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Foreign currency risk (Continued)

Sensitivity analysis

At the reporting date, a 10% strengthening of the US dollar against the following currencies would increase/ (decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	Profit before tax			
	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Singapore dollar	118	488	118	488
Renminbi	(1,485)	(987)	(1,494)	(990)
Hong Kong dollar	(12)	17	–	–
Euro	(227)	157	–	–
British pound	13	33	–	–

A 10% weakening of the US dollar against the above currencies would have an equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Interest rate risk

Profile

At the reporting date, the interest rate profile of the interest-bearing financial instruments was:

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Financial assets	496,741	371,612	482,692	358,191

Interest rate sensitivity analysis

Management does not expect a change in interest rate will have significant impact to the Group's and Company's profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Fair values

Fair values versus carrying amounts

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.

	Level 1 US\$'000	Level 2 US\$'000	Level 3 US\$'000	Total US\$'000
Group				
2024				
Financial asset at FVTOCI	–	–	5,500	5,500
Derivative financial assets	–	13,419	–	13,419
Derivative financial liabilities	–	(20,531)	–	(20,531)
	–	(7,112)	5,500	(1,612)
2023				
Financial asset 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				
2024				
Derivative financial assets	–	12,255	–	12,255
Derivative financial liabilities	–	(18,828)	–	(18,828)
	–	(6,573)	–	(6,573)
2023				
Derivative financial assets	–	5,579	–	5,579
Derivative financial liabilities	–	(6,754)	–	(6,754)
	–	(1,175)	–	(1,175)

There was no transfer between levels during the financial year.

The valuation techniques and the inputs used in the fair value measurements of the financial instruments are disclosed in Notes 26 and 28.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Offsetting financial assets and financial liabilities

The disclosures set out in the tables below include financial assets and financial liabilities that are subject to an enforceable master netting agreement or similar agreement.

The Group's paper derivative transactions are all transacted on an exchange.

In certain circumstances – for example, only when a credit event such as a default occurs, the non-defaulting party can choose to exercise the right of set-off. As such, the above master netting agreements do not meet the criteria for offsetting in the statements of financial position.

	Gross amounts of recognised financial instruments included in the statements of financial position US\$'000	Related amounts that are not offset US\$'000	Net amounts US\$'000
Group			
2024			
Financial assets			
Oil physical derivative instruments	11,746	–	11,746
Oil paper derivative instruments	1,673	(1,673)	–
Total	13,419	(1,673)	11,746
Financial liabilities			
Oil physical derivative instruments	15,446	–	15,446
Oil paper derivative instruments	5,085	(1,673)	3,412
Total	20,531	(1,673)	18,858
2023			
Financial assets			
Oil physical derivative instruments	4,980	–	4,980
Oil paper derivative instruments	4,979	(3,151)	1,828
Total	9,959	(3,151)	6,808
Financial liabilities			
Oil physical derivative instruments	5,493	–	5,493
Oil paper derivative instruments	3,646	(3,151)	495
Total	9,139	(3,151)	5,988

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

19. FINANCIAL INSTRUMENTS (Continued)

Offsetting financial assets and financial liabilities (Continued)

	Gross amounts of recognised financial instruments included in the statements of financial position US\$'000	Related amounts that are not offset US\$'000	Net amounts US\$'000
Company			
2024			
Financial assets			
Oil physical derivative instruments	10,582	–	10,582
Oil paper derivative instruments	1,673	(1,673)	–
Total	<u>12,255</u>	<u>(1,673)</u>	<u>10,582</u>
Financial liabilities			
Oil physical derivative instruments	14,552	–	14,552
Oil paper derivative instruments	4,276	(1,673)	2,603
Total	<u>18,828</u>	<u>(1,673)</u>	<u>17,155</u>
2023			
Financial assets			
Oil physical derivative instruments	2,382	–	2,382
Oil paper derivative instruments	3,197	(3,197)	–
Total	<u>5,579</u>	<u>(3,197)</u>	<u>2,382</u>
Financial liabilities			
Oil physical derivative instruments	3,063	–	3,063
Oil paper derivative instruments	3,691	(3,197)	494
Total	<u>6,754</u>	<u>(3,197)</u>	<u>3,557</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

20. REVENUE

The Group derives its revenue from the transfer of goods at a point in time in the following major lines. This is consistent with the revenue information that is disclosed for each reportable segment under SFRS(I) 8 (Note 25).

A disaggregation of the Group's revenue for the financial year is as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Revenue from middle distillates	10,696,126	8,693,851
Revenue from other oil products	4,822,386	5,735,722
	15,518,512	14,429,573

The revenue from middle distillates and other oil products are recognised at a point in time.

Included in revenue is net loss of US\$4,268,000 (2023: loss of US\$5,086,000) recognised in relation to derivative financial instruments. The Group holds derivative financial instruments to hedge the changes in oil commodity prices. The gain or loss on remeasurement of these instruments at fair value is recognised in the consolidated statement of profit or loss as revenue.

21. PROFIT FOR THE FINANCIAL YEAR

The following items have been included in arriving at profit for the financial year:

	Group	
	2024	2023
	US\$'000	US\$'000
Other income		
Interest income	16,968	17,742
Foreign exchange gain – net	37	344
Others	345	630
	17,350	18,716
Allowance for impairment loss on investment in associate	–	(8,654)
Depreciation of property, plant and equipment	(1,872)	(1,474)
Depreciation of right-of-use assets	(5,889)	(5,976)
Amortisation of intangible assets	(1,117)	(1,124)
Expense relating to short-term leases	(5,926)	(5,406)
Expense relating to leases of low value assets	(7)	(3)
Staff costs	(18,437)	(17,737)
Contributions to defined contribution plans, included in staff costs	(1,455)	(1,631)
Audit fees paid/payable to:		
– auditor of the Company	(200)	(292)
– other auditors	(224)	(247)
Non-audit-related fees paid/ payable to auditor of the Company	(9)	(10)
Aggregate amount of fees paid/ payable to auditors	(433)	(549)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

22. FINANCE COSTS

	Group	
	2024	2023
	US\$'000	US\$'000
Bank charges	411	445
Interest expenses	128	2
Interest expenses on lease liabilities	319	289
	858	736

23. TAX EXPENSE

	Group	
	2024	2023
	US\$'000	US\$'000
Current tax expense		
Current year	5,999	5,828
(Over)/Under provision in prior year	(174)	19
	5,825	5,847
Deferred tax credit		
Origination of temporary differences	(720)	–
Withholding tax expense	2,556	1,709
Total tax expense	7,661	7,556
Reconciliation of effective tax rate		
Profit before tax	85,749	65,929
Tax using Singapore tax rate of 17% (2023: 17%)	14,577	11,208
Effects of tax rates in foreign jurisdictions	41	709
Tax exempt income	(13)	(13)
Tax effects of revenue at concessionary tax rate	(2,333)	(2,121)
Effects of results of associates presented net of tax	(7,802)	(5,154)
Effect of expenses not deductible	1,355	1,218
Origination of temporary differences	(720)	–
Withholding tax expense	2,556	1,709
	7,661	7,556

The Company was granted concessionary rate of tax for a period of 5 years from 1 August 2020 to 31 July 2025. Income derived from qualifying trading transactions of approved products by the Company is taxed at the concessionary rate instead of the normal statutory rate of 17%. This incentive is granted subject to the achievement of certain business volume and other terms and conditions.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

24. EARNINGS PER SHARE

Basic earnings per share

At the reporting date, the calculation of basic earnings per share was based as follows:

Profit attributable to ordinary shareholders

	2024 US\$'000	2023 US\$'000
Basic and diluted earnings per share is based on:		
Net profit attributable to ordinary shareholders	78,357	58,856

Weighted average number of ordinary shares

	Number of shares	
	2024 '000	2023 '000
Issued ordinary shares at 31 December*	860,184	860,184

* Excludes 6,000,000 ordinary shares held as treasury shares.

The Group did not have any dilutive potential ordinary shares in the current and previous financial years.

25. OPERATING SEGMENTS

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately. For each of the strategic business units, the Group's CEO (the chief operating decision maker) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments:

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

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CEO. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

25. OPERATING SEGMENTS (Continued)

	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil-related assets US\$'000	Total US\$'000
2024				
Revenue	10,696,126	4,822,386	–	15,518,512
Gross profit	41,300	565	–	41,865
Other administrative/operating expenses	(15,962)	(218)	–	(16,180)
Depreciation and amortisation	(2,291)	(31)	–	(2,322)
Foreign exchange gain	37	–	–	37
Interest income	16,739	229	–	16,968
Other income	340	5	–	345
Finance costs	(690)	(168)	–	(858)
Share of profit of associates (net of tax)	–	–	45,894	45,894
Tax expense	(5,056)	(49)	(2,556)	(7,661)
Reportable segment profit after tax	34,417	333	43,338	78,088
Reportable segment total assets	1,361,229	359,977	269,773	1,990,979
Deferred tax assets				720
Total Group's assets				1,991,699
Included in the segment assets:				
Additions:				
– Property, plant and equipment	808	–	–	808
– Right-of-use assets	3,043	–	–	3,043
– Intangible assets	107	–	–	107
– Associates	–	–	164	164
Reportable segment total liabilities	657,919	330,608	–	988,527
Current tax liabilities				4,023
Deferred tax liabilities				9,201
Total Group's liabilities				1,001,751

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

25. OPERATING SEGMENTS (Continued)

	Middle distillates US\$'000	Other oil products US\$'000	Investment in oil-related assets US\$'000	Total US\$'000
2023				
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)	–	(18,906)
Impairment expenses	(3,375)	–	(8,654)	(12,029)
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 profit of associates (net of tax)	–	–	30,318	30,318
Tax expense	(5,464)	(383)	(1,709)	(7,556)
Reportable segment profit after tax	33,688	4,730	19,955	58,373
Reportable segment total assets	1,464,945	63,920	258,649	1,787,514
Included in the segment assets:				
Additions:				
– Property, plant and equipment	11,483	–	–	11,483
– Right-of-use assets	5,899	–	–	5,899
– Intangible assets	76	–	–	76
Reportable segment total liabilities	798,366	25,166	–	823,532
Current tax liabilities				3,683
Deferred tax liabilities				7,952
Total Group's liabilities				835,167

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

25. OPERATING SEGMENTS (Continued)

Geographical segments

The People's Republic of China is a major market for trading in jet fuel and petroleum products. The Group also operates in other regions including Singapore.

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the revenue transacted. Segment assets are based on the geographical location of the assets.

Geographical information	Revenue US\$'000	Non-current assets** US\$'000
2024		
People's Republic of China	10,432,919	223,935
Republic of Korea	279,514	40,337
United States of America	945,321	687
Hong Kong SAR	296,778	8,929
Malaysia	170,248	–
Japan	551,905	–
Australia	131,234	–
Singapore	233,406	12,774
Philippines	141,731	–
Netherlands	438,213	5,953
Thailand	297,272	–
Germany	358,252	–
Indonesia	168,786	–
India	563,450	–
United Arab Emirates	115,820	–
Other countries	393,663	–
	15,518,512	292,615
2023		
People's Republic of China	8,778,362	209,012
Republic of Korea	194,349	44,137
United States of America	887,477	80
Hong Kong SAR	656,481	9,443
Malaysia	233,836	–
Japan	85,182	–
Australia	107,062	–
Singapore	935,821	17,259
Philippines	129,023	–
Netherlands	940,653	6,539
Myanmar	250,045	–
Germany	261,656	–
Indonesia	153,989	–
Bangladesh	61,483	–
France	134,866	–
Other countries	619,288	–
	14,429,573	286,470

** Excludes deferred tax assets

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

25. OPERATING SEGMENTS (Continued)

Major customers

Revenue from five customers (2023: five customers) for the supply and trading of jet fuel and other oil products amounting to approximately US\$7,550,553,000 (2023: US\$6,545,584,000), represents 49% (2023: 45%) of the Group's total revenue.

26. FINANCIAL RISK MANAGEMENT

Overview

The Group has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- interest rate risk
- foreign currency risk
- commodity price risk

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing risk. Additional quantitative disclosures are included throughout these financial statements.

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the Board of Directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment which all employees understand their roles and obligations.

The Risk Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risk.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss to the Group and the Company. The Group and the Company have adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group and the Company manage these risks by monitoring credit-worthiness and limiting the aggregate risk to any individual counterparty. The Group and the Company have purchased credit insurance for certain customers during the financial year.

The Group develops and maintains its credit risk ratings to categorise exposures according to their degree of risk of default. The Group uses its own trading records to rate its major customers and other debtors.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets, except that the credit risk associated with certain trade receivables is reduced because they are secured by credit insurance and letters of credit. There has not been any significant changes in the quality of the credit enhancement.

The Group's current credit risk rating framework comprises the following categories:

Category	Description	Basis for recognising expected credit losses (ECL)
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
Doubtful	Amount is 30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
In default	Amount is 90 days past due or there is evidence indicating the asset is credit-impaired.	Lifetime ECL – credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the group has no realistic prospect of recovery.	Amount is written off

The assessment of the credit quality and exposure to credit risk of the Group and Company's trade and other receivables have been disclosed in Note 11.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

The tables below detail the credit quality of the Group's trade and other receivables, as well as maximum exposure to credit risk:

Group	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
2024						
Trade receivables	11	(i)	Lifetime ECL (simplified approach)	470,564	(6,253)	464,311
Other receivables	11	Performing	12-month ECL	36,361	–	36,361
Amount due from related corporations (trade)	11	(i)	Lifetime ECL (simplified approach)	422,895	(1,013)	421,882
Amount due from related corporations of a corporate shareholder (trade)	11	(i)	Lifetime ECL (simplified approach)	74,885	(72)	74,813
Amount due from associates (trade)	11	(i)	Lifetime ECL (simplified approach)	39,457	(146)	39,311
				<u>1,044,162</u>	<u>(7,484)</u>	<u>1,036,678</u>
2023						
Trade receivables	11	(i)	Lifetime ECL (simplified approach)	351,429	(5,375)	346,054
Other receivables	11	Performing	12-month ECL	49,984	–	49,984
Amount due from related corporations (trade)	11	(i)	Lifetime ECL (simplified approach)	435,365	(1,380)	433,985
Amount due from related corporations of a corporate shareholder (trade)	11	(i)	Lifetime ECL (simplified approach)	37,587	(36)	37,551
Amount due from associates (trade)	11	(i)	Lifetime ECL (simplified approach)	117,012	(432)	116,580
				<u>991,377</u>	<u>(7,223)</u>	<u>984,154</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Company	Note	Internal credit rating	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
2024						
Trade receivables	11	(i)	Lifetime ECL (simplified approach)	366,329	(5,477)	360,852
Other receivables	11	Performing	12-month ECL	21,278	–	21,278
Amount due from subsidiaries (trade)	11	(i)	Lifetime ECL (simplified approach)	125,327	–	125,327
Amount due from subsidiaries (non-trade)	11	Performing	12-month ECL	112,363	–	112,363
Amount due from related corporations (trade)	11	(i)	Lifetime ECL (simplified approach)	304,170	(674)	303,496
Amount due from related corporations of a corporate shareholder (trade)	11	(i)	Lifetime ECL (simplified approach)	74,885	(72)	74,813
Amount due from associates (trade)	11	(i)	Lifetime ECL (simplified approach)	39,457	(146)	39,311
				<u>1,043,809</u>	<u>(6,369)</u>	<u>1,037,440</u>
2023						
Trade receivables	11	(i)	Lifetime ECL (simplified approach)	146,368	(4,880)	141,488
Other receivables	11	Performing	12-month ECL	31,698	–	31,698
Amount due from subsidiaries (trade)	11	(i)	Lifetime ECL (simplified approach)	312,121	–	312,121
Amount due from subsidiaries (non-trade)	11	Performing	12-month ECL	83,759	–	83,759
Amount due from related corporations (trade)	11	(i)	Lifetime ECL (simplified approach)	304,647	(1,011)	303,636
Amount due from related corporations of a corporate shareholder (trade)	11	(i)	Lifetime ECL (simplified approach)	36,639	(35)	36,604
Amount due from associates (trade)	11	(i)	Lifetime ECL (simplified approach)	117,012	(432)	116,580
				<u>1,032,244</u>	<u>(6,358)</u>	<u>1,025,886</u>

- (i) For trade receivables, the Group has applied the simplified approach in SFRS(I) 9 to measure the loss allowance at lifetime ECL. The Group determines the expected credit losses on these items estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Note 11 includes further details on the loss allowance for these trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT (Continued)

Credit risk (Continued)

Trade receivables

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. This allowance is a specific loss component that relates to individually significant exposures. The allowance account in respect of trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the financial asset is considered irrecoverable and the amount charged to the allowance account is written off against the carrying amount of the impaired financial asset.

Cash and fixed deposits are placed with banks and financial institutions which are regulated. The banks and financial institutions are assigned high credit ratings by international credit-rating agencies and considered to have low credit risk. The cash balances are measured on 12-month expected credit losses and subject to immaterial credit loss.

At 31 December 2024, there was no significant concentration of credit risk except for amounts receivable due from 6 (2023: 3) major customers amounting to US\$481,449,000 (2023: US\$349,293,000) which accounted for 48% (2023: 37%) of the Group's gross trade receivables.

At 31 December 2024, the Company has a significant concentration of credit risk with subsidiaries and related corporations which accounted for 46% (2023: 67%) of the Company's gross trade receivables. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Guarantees

There is no exposure to the Company in respect of the intra-Group financial guarantee (see Note 7) at the end of the reporting period as it is remote that the subsidiaries default on the utilised facilities extended by the bank and trading counterparties.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivery of cash or another financial asset.

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows. Typically, the Group ensures that it has sufficient cash on demand to meet expected operational expenses, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. In addition, the Group manages its liquidity risk by maintaining adequate lines of credit.

Interest rate risk

It is the Group's policy to obtain the most favourable interest rates available without increasing its foreign currency exposure. Surplus funds are placed with reputable banks to earn interest income.

As the Group's interest-bearing financial assets are short term in nature, any future variations in interest rates will not have a material impact on the results of the Group.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT (Continued)

Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in currencies other than the respective functional currencies of Group entities. The currencies giving rise to this foreign currency risk are primarily the Singapore dollar, the Chinese renminbi, Hong Kong dollar, Euro and British pound.

The Group monitors its foreign currency exposures on an on-going basis and ensures that the net exposure is kept to an acceptable level. The Group did not actively hedge its foreign currency exposure in 2024 and 2023.

The Group is also exposed to currency translation risk on its net investments in foreign operations. Such exposures are reviewed and monitored on a regular basis.

Commodity price risk

The Group manages its costs of purchase and sales of oil commodities, using commodity paper derivative instruments. Management manages its commodity price risk using a suite of risk management tools which include marginal value at risk limits and hypothetical stress-tests of various scenarios. These risk management tools were designed by management, reviewed by the Risk Management Committee, and approved by the Board of Directors.

The Group enters into commodity paper derivative instruments, in which it agrees to exchange the difference between the fixed and floating prices, calculated by reference to an agreed-upon principal quantity, with its counterparties. The commodity paper derivative instruments entered into commit the Group to settle these instruments at various settlement dates.

Sensitivity analysis

Based on the Group's open positions at end of year, a change of 10% in oil forward price at the reporting date would have increased/(decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis as the financial year ended 31 December 2023.

	Profit or loss	
	10% increase US\$'000	10% decrease US\$'000
2024		
Oil physical and paper derivative instruments	4,473	(4,473)
2023		
Oil physical and paper derivative instruments	2,530	(2,530)

The Group considers holding oil inventory as part of their overall trading strategy. An increase of 10% in the fair value of oil inventory would have increased profit or loss by US\$2,755,000 (2023: US\$1,035,000). A 10% weakening of the fair value of oil inventory would have an equal but opposite effect on profit or loss.

The above sensitivity analysis is hypothetical and should not be predictive of the Group's future performance as the physical inventory volume and derivative positions change daily and are not static.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

26. FINANCIAL RISK MANAGEMENT (Continued)

Estimation of fair values

The following summarises the significant methods and assumptions used in estimating the fair values of financial instruments of the Group and the Company.

Derivative financial instruments

The fair values of oil physical and paper derivative instruments were determined based on price indices after adjusting for contract specific factors.

Financial asset at FVTOCI

The fair value of the financial asset was determined based on the income approach – in this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of the investee. This fair value measurement is categorised as a Level 3 of the fair value hierarchy based on inputs used. The information about the unobservable inputs used are not disclosed as the financial assets is not material.

The revenue is projected based on the agreed rate with the customers, taking into account management's experience and knowledge of market conditions of the industry.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) approximate their fair values because of the short period to maturity. All other financial assets and liabilities are discounted to determine their fair values.

27. RELATED PARTIES

Key management personnel compensation

Key management personnel compensation comprises:

	Group	
	2024	2023
	US\$'000	US\$'000
Directors' fees	376	377
Directors' remuneration	502	282
Key executive officers' remuneration	1,281	1,542
	2,159	2,201

The key management personnel compensation for the financial years ended 31 December 2024 and 31 December 2023 were made up of short-term employee benefits.

The immediate and ultimate holding company, CNAF, is a state-owned enterprise established in the PRC. In accordance with SFRS(I) 1-24 *Related Party Disclosures*, government-related entities and their subsidiaries, apart from entities under CNAF, which the PRC government has control, joint control or significant influence over are also considered as related parties of the Group. For the purpose of the related party transactions disclosures, the Group applies the exemption on disclosure of related parties transactions as allowed under SFRS(I) 1-24.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

27. RELATED PARTIES (Continued)

The Group assessed that these transactions with government-related entities were carried out based on market terms in the ordinary course of business. The Group's transactions with government-related entities include sales and purchases of oil commodities, banking fees and operating lease expenses.

For the financial year ended 31 December 2024, the Group's sales and purchases of physical oil commodities with government-related entities account for approximately 51% (2023: 59%) of the Group's total sales and 60% (2023: 58%) of the Group's total purchases. During the year, approximately 21% (2023: 35%) of the Group's banking fees were transacted with government-related entities and interest income of approximately 40% (2023: 39%) was received from government-related entities.

Other than those as disclosed elsewhere in the financial statements, the Group had the following significant transactions with related parties:

	Group	
	2024	2023
	US\$'000	US\$'000
Related parties under CNAF:		
Related corporations		
Sale of jet fuel	4,577,781	2,056,438
Purchase of jet fuel	(2,549,701)	(686,371)
Supply chain service rendered from	(2,310)	(895)
Interest income	6,801	6,395
Related corporations of a corporate shareholder:		
Sale of fuel oil	50,849	–
Sale of jet fuel	83,513	146,943
Sale of crude oil	388,767	–
Purchase of jet fuel	(381,082)	(389,494)
Purchase of fuel oil	(50,622)	(71,577)
Purchase of crude oil	(202,834)	–
Purchase of naphtha	(14,662)	–
Associate:		
Sale of jet fuel	2,447,273	1,875,940
Purchase of jet fuel	(74,146)	(58,160)
Storage tank rental expense	(3,596)	(4,100)

The outstanding balances as at 31 December with related parties are disclosed in Notes 11 and 16 to the financial statements and are unsecured, interest-free, repayable on demand and are to be settled in cash, unless otherwise stated. There are no outstanding balances with key management personnel or their immediate family members.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group believes the following critical accounting policies involved the most significant judgements and estimates used in the preparation of the financial statements.

Key source of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below:

Calculation of loss allowance

When measuring ECL, the Group uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

The carrying amounts of the Group's and the Company's trade and other receivables are disclosed in Note 11 to the financial statements.

Impairment assessment of investment in associates

The Group evaluates whether there are any indicators of impairment in the investment in associates at each reporting date. If there are indicators of impairment, management performs an evaluation of the investment's recoverable amount. The recoverable amount is based on the higher of value-in-use or fair value less cost to sell.

Value-in-use is estimated based on management's forecast of future cash flows discounted to present value using the pre-tax discount rate. The fair value less cost to sell requires an estimate of the market value of the investments. Significant estimates and assumptions are made in determining value-in-use and fair value less cost to sell.

The carrying amounts of the Group's and the Company's investment in associates are disclosed in Note 8 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

28. ACCOUNTING ESTIMATES AND JUDGEMENT IN APPLYING ACCOUNTING POLICIES (Continued)

Fair value of derivative financial instruments and open physical contracts

The Company holds derivative financial instruments and open physical contracts to hedge the changes in oil commodity prices. The Company has not applied hedge accounting to derivative financial instruments and open physical contracts that economically hedge the exposure of the changes in oil commodity prices. All outstanding derivative financial instruments and open physical contracts are recognised initially at fair value. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in the statement of profit or loss as revenue.

The fair value of the derivative financial instruments and open physical contracts are based on the price index, Platts, after adjusting for contract specific factors. The use of a different price index may impact the Company's estimate of the fair value of its derivative financial instruments and open physical contracts.

The carrying amounts of the Group's and the Company's derivative financial instruments and open physical contracts are disclosed in Notes 11 and 16 to the financial statements.

Trade inventories at fair value less costs to sell

Inventories held for trading purposes are measured at fair value less costs to sell and any changes in fair value less costs to sell are recognised in profit or loss in the period of change.

The fair value of trade inventories held for trading purposes is based on the price index, Platts, after adjusting for costs to sell. The use of a different price index or changes in the estimated costs to sell may impact the Company's estimate of the fair value of its trade inventories.

The carrying amounts of the Group's and the Company's trading inventories at fair value less costs to sell are disclosed in Notes 10 to the financial statements.

Critical judgement made in applying accounting policies

The management is of the opinion that there are no instances of application of judgements which are expected to have a significant effect on the amounts recognised in the financial statements, apart from those involving estimates described above.

SUPPLEMENTARY INFORMATION

INTERESTED PERSON TRANSACTIONS

	Nature of Relationship	Aggregate value of interested person transactions excluding transactions conducted under shareholders mandate pursuant to Rule 920 of the SGX Listing Manual		Aggregate value of interested person transactions conducted under shareholders mandate pursuant to Rule 920 of the SGX Listing Manual	
		2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Sales to related corporations of a corporate shareholder	Associates of Controlling Shareholder, China National Aviation Fuel Group Limited	-	-	4,665,001	2,759,326
Purchases from related corporations of a corporate shareholder		-	-	2,741,596	1,186,168
Supply chain services rendered from related corporations		-	-	4,699	4,401
Into-plane refueling services rendered by a related corporation		-	-	424	196
Fixed deposited placed with a related corporation		-	-	1,015,670	1,504,424
Interest income earned from principal deposited with a related corporation		-	-	6,156	5,542
Financial assistance rendered to a related corporation		-	600	-	-
Services rendered from a related corporation	Controlling Shareholder, China National Aviation Fuel Group Limited	544	259	-	-
Acquisition of additional shares in associate held by a related corporation		164	-	-	-
Sales to related corporations of a corporate shareholder	Associates of Controlling Shareholder, BP Investments Asia Limited	-	-	526,670	37,996
Purchases from related corporations of a corporate shareholder		-	-	773,995	719,130
Carbon trading transaction with a related corporation		-	662	-	-
Purchases of into-plane services from a related corporation		-	1,533	-	-

STATISTICS OF SHAREHOLDINGS

As at 7 March 2025

Number of Issued Shares	:	866,183,628
Number of Issued Shares (excluding Treasury Shares)	:	860,183,628 ordinary shares
Number/Percentage of Treasury Shares	:	6,000,000 (0.69%)
Number/Percentage of Subsidiary Holdings +	:	0 (0%)
Class of Shares	:	Ordinary Shares
Voting Rights (excluding Treasury Shares and Subsidiary Holdings)	:	1 vote per share

Based on information available to the Company as at 7 March 2025, 28.52% ⁽¹⁾ of the issued ordinary shares of the Company is held by the public and, therefore, Rule 723 of the Listing Manual of SGX-ST is complied with.

Note: + Subsidiary Holdings is defined in the Listing Manual of SGX-ST to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.
(1) Percentage is calculated based on the total number of 860,183,628 issued shares excluding treasury shares.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 – 99	699	5.90	34,782	0.00
100 – 1,000	1,799	15.19	1,047,303	0.12
1,001 – 10,000	6,096	51.48	27,216,597	3.17
10,001 – 1,000,000	3,226	27.25	133,389,839	15.51
1,000,001 and above	21	0.18	698,495,107	81.20
Total	11,841	100.00	860,183,628	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	China National Aviation Fuel Group Limited	441,332,912	51.31
2	BP Investments Asia Limited	173,476,942	20.17
3	DBS Nominees (Private) Limited	21,608,841	2.51
4	Citibank Nominees Singapore Pte Ltd	15,626,677	1.82
5	Phillip Securities Pte Ltd	7,621,429	0.89
6	Raffles Nominees (Pte.) Limited	7,360,995	0.86
7	United Overseas Bank Nominees (Private) Limited	4,250,156	0.49
8	OCBC Securities Private Limited	3,870,933	0.45
9	iFAST Financial Pte. Ltd.	3,370,239	0.39
10	Lee Fook Choy	3,200,000	0.37
11	OCBC Nominees Singapore Private Limited	2,802,748	0.33
12	UOB Kay Hian Private Limited	2,341,256	0.27
13	HSBC (Singapore) Nominees Pte Ltd	2,277,205	0.26
14	Teo Chin Yee (Zhang Jinyi)	1,287,000	0.15
15	Moomoo Financial Singapore Pte. Ltd.	1,269,157	0.15
16	Kang Hian Soon or Keh Siu Kim	1,240,000	0.14
17	Toh Ong Tiam	1,233,000	0.14
18	Lam Yew Chong	1,113,800	0.13
19	Tay Wee Meng	1,090,700	0.13
20	ABN AMRO Clearing Bank N.V.	1,078,500	0.13
	Total	697,452,490	81.09

SUBSTANTIAL ORDINARY SHAREHOLDERS

(As shown in the Register of Substantial Shareholders as at 7 March 2025)

No.	Name	No. of Shares		%
		Direct Interest	Deemed Interest	
1.	China National Aviation Fuel Group Limited	441,332,912	–	51.31
2.	BP Investments Asia Limited	173,476,942	–	20.17

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

As of 31 March 2025

Name of Director	Lin Yi	
Date of appointment	15 March 2023	
Date of last re-appointment (if applicable)	27 April 2023	
Age	55	
Country of principal residence	Singapore	
The Board's comments on this re-election/appointment	<p>After reviewing the recommendation of the Nominating Committee and Mr Lin's qualifications and experience (as set out below), the Board has approved that Mr Lin stands for re-election as an Executive, Non-Independent Director.</p> <p>Mr Lin will, upon re-election, continue to serve as Chief Executive Officer/Executive Director of the Company.</p>	
Whether appointment is executive, and if so, the area of responsibility	<p>Executive</p> <p>As Chief Executive Officer/Executive Director, Mr Lin is responsible for the overall management of the business operations of the Company.</p>	
Job title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chief Executive Officer/Executive Director	
Professional Qualifications	Bachelor of Engineering Studies Qualified Senior Engineer, China	
Working experience and occupation(s) during the past 10 years	<p><u>March 2023 to Present:</u> Chief Executive Officer/Executive Director China Aviation Oil (Singapore) Corporation Ltd</p> <p><u>September 2022 to March 2023:</u> Chief Executive Officer China Aviation Oil (Singapore) Corporation Ltd</p> <p><u>November 2018 to September 2022:</u> General Manager China National Aviation Fuel South China Bluesky Corporation Ltd</p> <p><u>May 2013 to November 2018:</u> General Manager China National Aviation Fuel South China Bluesky Corporation Ltd, Guangdong Branch</p> <p><u>September 2010 to May 2013:</u> Adviser China National Aviation Fuel South China Bluesky Corporation Ltd, Guangdong Branch</p>	

	Fu Xingran	Jeffrey Goh Mau Seong
	30 September 2021	31 December 2021
	27 April 2022	27 April 2022
	47	56
	China	Bahrain
	<p>After reviewing the recommendation of the Nominating Committee and Dr Fu's qualifications and experience (as set out below), the Board has confirmed Dr Fu's independence and approved that Dr Fu stands for re-election as a non-executive and independent Director.</p> <p>Dr Fu will, upon re-election, continue to serve as Chairman of the Nominating Committee and a member of the Audit Committee, Remuneration Committee and Sustainability Committee.</p>	<p>After reviewing the recommendation of the Nominating Committee and Dr Goh's qualifications and experience (as set out below), the Board has confirmed Dr Goh's independence and approved that Dr Goh stands for re-election as a non-executive and independent Director.</p> <p>Dr Goh will, upon re-election, continue to serve as Chairman of the Remuneration Committee and a member of the Nominating Committee, Risk Management Committee and Sustainability Committee.</p>
	Non-executive	Non-executive
	Non-executive and Independent Director; Chairman of Nominating Committee; Member of Audit Committee, Remuneration Committee and Sustainability Committee	Non-executive and Independent Director; Chairman of Remuneration Committee; Member of Nominating Committee, Risk Management Committee and Sustainability Committee
	Doctor of Philosophy in Financial Engineering, Heriot-Watt University	Doctor of Philosophy – Principles and Policies of Regulating Airline Competition, University of Sheffield, United Kingdom Bachelor of Laws, University of Hull, Hull, United Kingdom
	<p><u>July 2020 to Present:</u> General Manager Beijing Rongyi Investment and Management Co., Ltd</p> <p><u>October 2019 to Present:</u> Deputy General Manager/General Manager Beijing Jingguochuang Funds Management Co., Ltd</p> <p><u>January 2019 to September 2019:</u> Deputy General Manager Beijing Innovation Industry Investment Co., Ltd.</p> <p><u>June 2015 to December 2018:</u> Deputy General Manager Beijing Tianshi Kaiyuan Equity Fund Management Co., Ltd.</p> <p><u>April 2010 to June 2015:</u> Deputy General Manager Funds Investment Department, Beijing State-owned Capital Operation and Management Center</p>	<p><u>2024 to Present:</u> Chief Executive Officer Gulf Air Group Holding Company (Bahrain)</p> <p><u>2017 to 2023:</u> Chief Executive Officer Star Alliance (Germany/Singapore)</p> <p><u>2013 to 2016:</u> Chief Operating Officer & General Counsel Star Alliance (Germany)</p> <p><u>2008 to 2012:</u> General Counsel & VP Corporate Services Star Alliance (Germany)</p>

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

As of 31 March 2025

Name of Director	Lin Yi	
Shareholding interest in the listed issuer and its subsidiaries	No	
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes. Mr Lin is a nominee Director of China National Aviation Fuel Group Limited, a substantial shareholder of the Company.	
Conflict of interest (including any competing business)	No	
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 720(1))	Yes	
Other Principal Commitments* including Directorships# * "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018		
Past (for the last 5 years)	Nil	
Present	<ul style="list-style-type: none"> • Chairman of China Aviation Oil (Hong Kong) Company Limited • Chairman of North American Fuel Corporation • Chairman of China Aviation Fuel (Europe) Limited • Director of Oilhub Korea Yeosu Co., Ltd • Deputy Chairman of Shanghai Pudong International Airport Aviation Fuel Supply Corporation Ltd <p>Other Principal Commitments Nil</p>	

	Fu Xingran	Jeffrey Goh Mau Seong
	No	No
	No	No
	No	No
	Yes	Yes
	<ul style="list-style-type: none"> • Director of Beijing Tianshi Kaiyun Equity Fund Management Co., Ltd. • Deputy General Manager of Beijing Innovation Industry Investment Co., Ltd. • Deputy General Manager of Beijing Tianshi Kaiyuan Equity Fund Management Co., Ltd. 	<ul style="list-style-type: none"> • Chief Executive Officer of Star Alliance (Germany/Singapore) • Director of Star Alliance (SG) Pte. Ltd. • Director of Airline Passenger Experience Association (US)
	<ul style="list-style-type: none"> • General Manager of Beijing Rongyi Investment and Management Co., Ltd • General Manager of Beijing Jingguochuang Funds Management Co., Ltd <p>Other Principal Commitments</p> <ul style="list-style-type: none"> • Director of Beijing Rongyi Investment and Management Co., Ltd • Director of Beijing Jingcheng Zhitong Robot Technology Co., Ltd • Director of Beijing Jingguochuang Funds Management Co., Ltd • Director of Beijing Ba Yue Gua Technology Co., Ltd • Director of Beijing Foreign Enterprise Human Resources Service Co., Ltd • Director of Beijing Environment Co., Ltd 	<ul style="list-style-type: none"> • Chief Executive Officer of Gulf Air Group Holding Company (Bahrain) <p>Other Principal Commitments</p> <ul style="list-style-type: none"> • Deputy Chairman/Director of Bahrain Airport Services Company B.S.C. (c)

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

As of 31 March 2025

Name of Director	Lin Yi	
Information required Disclose the following matters concerning an appointment of director		
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	
(c) Whether there is any unsatisfied judgement against him?	No	
(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty, which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misinterpretation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	
(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

As of 31 March 2025

Name of Director	Lin Yi	
(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of: <ul style="list-style-type: none"> <li data-bbox="146 869 756 994">(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or <li data-bbox="146 1030 756 1155">(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or <li data-bbox="146 1191 756 1317">(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or <li data-bbox="146 1352 756 1590">(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during the period when he was so concerned with the entity or business trust? 	<p>No</p> <p>No</p> <p>No</p> <p>No</p>	
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	

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China Aviation Oil (Singapore) Corporation Ltd

中国航油（新加坡）股份有限公司

A subsidiary of China National Aviation Fuel Group Limited
中国航空油料集团有限公司子公司

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