

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



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Incorporated in the Republic of Singapore
Co. Reg. No.: 199303293Z

The Board of Directors of China Aviation Oil (Singapore) Corporation Ltd (the “**Company**”) would like to thank the shareholder for submitting questions in advance of the 31st Annual General Meeting of the Company to be held at Room 700, Stephen Riady Auditorium @NTUC, One Marina Boulevard, Singapore 018989 on Thursday, 24 April 2025 at 3:00 p.m.

Please refer to the Company’s responses to these substantial and relevant questions in Annex A. The questions have been edited for clarity.

By Order of the Board

Doreen Nah
Company Secretary
21 April 2025



Annex A

Question 1

With reference to SPIA’s financial performance, why did the 22% increase in overall flight volume (at Pudong Airport) translate into a lower, 19% rise in revenue, more so when international flight volume surged by 69%? Was it the result of lower aviation fuel prices?

*Source data provided in shareholder’s enquiry

All flights	1H	2H	2024
2023	187,685	246,178	433,863
2024	257,724	270,349	528,073
Change	37%	10%	22%

Intl. flights	1H	2H	2024
2023	39,799	68,489	108,288
2024	85,134	97,124	182,258
Change	114%	42%	69%

SPIA financial performance (in US\$ m)

Year.....	2023.....	2024....	Change
Revenue.....	2,956....	3,557.....	19%
Profit.....	101.....	135.....	35%

Response:

As stated under the “Notes to the Financial Statements” on pages 144 and 145 of the 2024 Annual Report of the Company, SPIA’s revenue in FY2024 rose 20.3% year-on-year to US\$ 3.557 billion and not 19% as indicated in this question.

SPIA’s operating revenue is mainly driven by jet fuel supply volume and jet fuel prices. Although flight volumes represent a key factor, it is not a sole determinant of actual jet fuel demand. While international flight volumes at Pudong International Airport increased 69% in FY2024, this would not necessarily translate into a corresponding increase in SPIA’s actual jet fuel supply volume.



In addition, SPIA's lower revenue growth rate in FY2024 was mainly due to a year-on-year decline of about 9% in average jet fuel sale prices and the weakening of the Chinese yuan versus the greenback by around 1%.

Question 2

With reference to SPIA's financial performance, what led to the 35% rise in profit relative to the 19% revenue increase?

Response:

As profit recognition involves adjustments to revenue by subtracting all related costs and expenses, etc., there is no direct correlation between revenue and profit growth.

Accordingly, SPIA's profit growth relative to its revenue can be attributed to: (1) the increase in jet fuel supply volume at Pudong International Airport; and (2) effective cost optimisation in jet fuel procurement.