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

## CAO SUSPENDS 2011-2014 COLLABORATION AGREEMENT AND SIGNS TERM CONTRACTS FOR 2012 WITH BP SINGAPORE

### 1. INTRODUCTION

- 1.1 As announced by the Company on 12 October 2010, the Company and BP Singapore Pte. Limited (“BPS”) entered into a 2011-2014 Collaboration Agreement (the “**Collaboration Agreement**”) on 12 October 2010 pursuant to which, *inter alia*, the parties agreed to enter into arrangements contemplated thereunder with a view to strengthening CAO's capability in the international procurement of aviation fuel and to enhancing the security of supply and competitive terms obtained in the international market for the benefit of CAO and its customers.
- 1.2 In order to enhance the collaboration model and to achieve better operational effectiveness, the parties have agreed to concurrently enter into new term contracts in relation to the supply of aviation fuel, each for a duration of one year from 1 January 2012 (the “**Term Contracts**”) and the suspension of the Collaboration Agreement (including the term contracts entered into thereunder) for the same corresponding period.

### 2. ENTRY INTO NEW TERM CONTRACTS AND FIRST SUPPLEMENTAL AGREEMENT TO THE COLLABORATION AGREEMENT

The Board wishes to announce that the Company and BPS have today signed the Term Contracts and the First Supplemental Agreement to the Collaboration Agreement which provides for the suspension of the Collaboration Agreement for a period of one year from 1 January 2012.

### 3. INTERESTED PERSON TRANSACTIONS UNDER CHAPTER 9 OF THE LISTING MANUAL OF THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”)

The Collaboration Agreement and the Term Contracts which constitute interested person transactions of the Company for the purposes of Chapter 9 of the Listing Manual of the SGX-ST, come under the purview of the Company's existing mandate for interested person transactions approved by shareholders at the 17<sup>th</sup> Annual General Meeting of the Company held on 28 April 2011.



#### **4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

- 4.1 Mr. Alan Haywood and Mr. Chen Liming are both non-independent and non-executive directors of the Company who are also executives of the BP Group. They have abstained from voting on any decisions relating to the Term Contracts and the suspension of the Collaboration Agreement.
- 4.2 BP Investments Asia Limited and BP Plc, the holding company of BPS, are the direct and indirect controlling shareholders of the Company with a total deemed interest of 20% in the Company (including treasury shares).
- 4.3 Save as disclosed, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Term Contracts and the suspension of the Collaboration Agreement.

#### **5. NO MATERIAL FINANCIAL IMPACT ON THE CAO GROUP**

The Company's entry into the Term Contracts and the suspension of the Collaboration Agreement are not expected to have any material financial impact on the CAO group in terms of earnings per share or net tangible assets per share for the financial year ending 2012.

By Order of the Board

Doreen Nah  
Company Secretary  
31 December 2011