Energising communities

ANNUAL REPORT 2021

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ENERGISING COMMUNITIES

At Puma Energy, our purpose is energising communities to help drive growth and prosperity by sustainably serving our customers' needs in high-potential markets around the world.

From Latin America to Africa to Asia-Pacific, the world's emerging markets are growing fast and need reliable sources of energy to help them develop and prosper long-term. We are committed to serving these markets and succeeding together with them.

The emerging markets we focus on are full of potential for growth and at the beginning of their transition to more sustainable and affordable energy. We are uniquely positioned to help make that a just transition, as we continue to provide the energy our customers and communities need, day after day, without fail.

GROUP OVERVIEW

FINANCIAL AND OPERATIONAL HIGHLIGHTS

In a year of great challenges, we continued to deliver for our customers, made significant improvements in safety – our top priority – and reorganised the business for higher performance going forward.

Delivering results while transforming for the future

- Significantly improving our safety performance
- Setting a new strategy to deliver growth
- Reorganising the business to unleash our full potential

Financial highlights

US$ -931M
Operating loss
2020 (restated): US$ (31)M

6,502K M³
Throughput volumes
2020 restated: 5,817 m³

US$ 419M
EBITDA (including discontinued operations and excluding IFRS 16 impact)
(2020: US$ 533M)

US$ 999M
Gross profit
2020 restated: US$ 1,091M

17,797K M3
Sales volumes
2020: 17,794k m³

US$ 226M
Organic capital expenditure, net (2020: US$ 143M)

US$ 10,971M
Net sales
2020 (restated): US$ 8,157M

US$ 972M
Net tangible fixed assets
(2020: US$ 2,037M)

Operational highlights

0.14%
Lost-Time Injury Frequency Rate (LTIFR)

US$ 1.3M
Invested in learning and development

37
Sites with solar panels operational

WHAT WE DO

From giving the people who visit our retail sites a great experience to working closely with industrial businesses to help them optimise their operations – we focus on delivering the very best for our customers.

1. Storage
2. Inland storage
3. Retail
4. Commercial
5. Lubricants
6. Aviation
7. Bitumen
8. LPG
9. Refining
10. Solar energy

Infrastructure

Working as their trusted partner, we meet the needs of our Infrastructure customers through our world-class global network of storage facilities on five continents.

Our Infrastructure business unit is the home for our world-class network of major storage terminals. In Infrastructure, we focus on making the most of these assets in order to optimise value creation.

To this end, we serve our Downstream business unit, providing essential security of supply. We also look to maximise opportunities to attract new customers from around the world.

We also operate a number of smaller terminals which directly support our Downstream business and are not included in our Infrastructure business.

17 *Countries*

5.1M M³ *Storage capacity*

29 *Terminals*

Downstream

From great shopping destinations for local communities to fuel and lubricants for global businesses – we provide a wide range of energy solutions to our retail and commercial customers.

Our Downstream business unit focuses on providing the very best energy solutions for retail, commercial and industrial customers in our chosen high-potential countries. To grow and lead here, we develop and deliver compelling customer value propositions – from an outstanding end-to-end retail experience to targeted energy solutions for businesses in different segments.

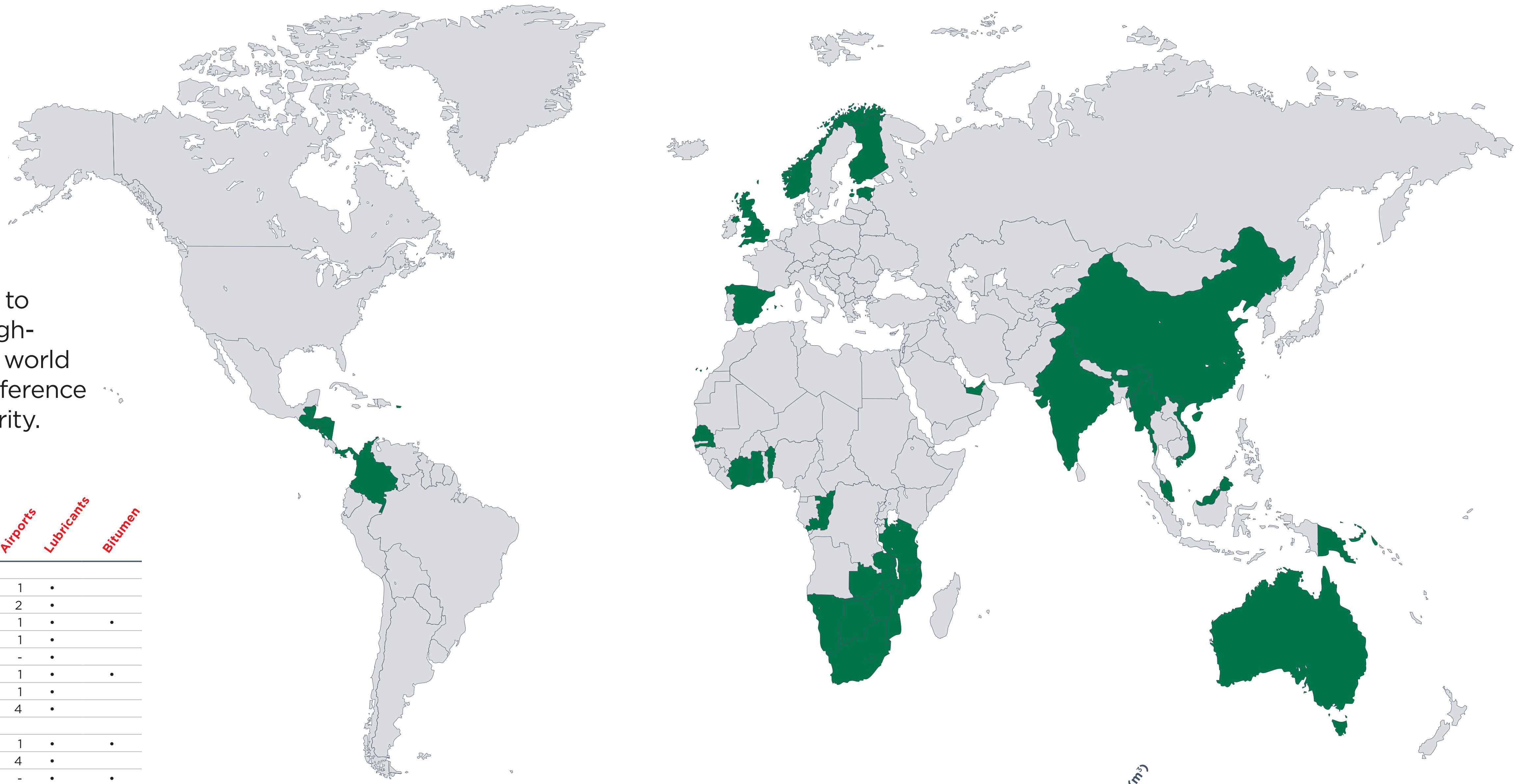
1,948 *Retail sites*

709 *Convenience stores*

103 *Airports served*

WHERE WE OPERATE

From Latin America to Africa to Asia-Pacific, we operate in high-potential markets around the world where we can make a real difference in driving growth and prosperity.



Downstream

	Retail sites	Convenience stores	Airports	Lubricants	Bitumen
Americas					
Belize	15	3	1	•	
Colombia	96	-	2	•	
El Salvador	101	37	1	•	•
Guatemala	281	37	1	•	
Honduras	211	23	-	•	
Nicaragua	53	19	1	•	•
Panama	76	21	1	•	
Puerto Rico and USVI	309	168	4	•	
Africa					
Benin	16	-	1	•	•
Botswana	42	21	4	•	
Congo	34	12	-	•	•
Ghana	92	25	1	•	
Ivory Coast	34	3	-	•	
Lesotho	35	11	-	•	
Malawi	61	68	2	•	
Mozambique	31	24	8	•	
Namibia	58	53	3	•	
Senegal	5	5	2	•	
South Africa	111	92	27	•	
Eswatini	23	-	1	•	
Tanzania	68	13	8	•	
Zambia	59	37	4	•	
Zimbabwe	83	19	5	•	
Middle East & Asia-Pacific					
Australia	-	-	-		•
China	-	-	-		•
India	-	-	-		•
Malaysia	-	-	-		•
Myanmar	-	-	11	•	
Papua New Guinea	54	18	12	•	
UAE	-	-	-		
Vietnam	-	-	-		•
Europe					
Spain	-	-	-		•
United Kingdom	-	-	-		•
	1,948	**709**	**103***		**13**

Infrastructure

	No. of terminals	Storage capacity (m^3)
Americas		
Belize	1	33
El Salvador	2	318
Guatemala	4	299
Honduras	2	135
Panama	1	87
Puerto Rico and USVI	1	309
Africa		
Ghana	4	169
Mozambique	2	277
Namibia	2	122
Tanzania	1	83
Middle East & Asia-Pacific		
UAE	1	412
Europe		
Estonia	2	860
Finland	1	250
Norway	1	95
United Kingdom	4	1,631
	29	**5,079**

■ Where we operate

*Including airports in Paraguay, Burundi and St Helena.

BUSINESS MODEL

Our way of creating value for our stakeholders

Guided by

Our purpose
We are guided and inspired by our purpose of *energising communities* to help drive growth and prosperity by sustainably serving our customers' needs in high-potential countries around the world.

Our market context
We live in an exciting, fast-changing world in need of the right energy solutions.

Strategic priorities
- Simplify and reinvigorate our core business
- Prepare for the future of energy
- Leverage our relationship with Trafigura

Operating responsibly
Our commitment to ESG principles is essential to the sustainable growth and success of our business.

Creating value by

- Generating revenues and profits from:
  - Fuel products and services, e.g. oil, lubricants, bitumen
  - Non-fuel products and services, e.g. convenience retail
  - New energy sources e.g. solar, LPG or hydrogen
  - Transportation and storage
- Recruiting, training, developing and rewarding our people
- Making social investments
- Contributing to communities

For all our stakeholders

Customers
We deliver high-quality, competitively priced products and services to our customers – quickly and reliably. We add value by ensuring we are always there for our customers and are easy to do business with.

Communities
We contribute significantly to our communities, through local taxes and employment. We also add value as a long-term, responsible partner engaging in many social, environmental and educational programmes.

Employees
Our people are well rewarded and enjoy the opportunity to develop their skills and entrepreneurship to achieve their full potential. They contribute in many ways to our diverse, collaborative, customer-focused company.

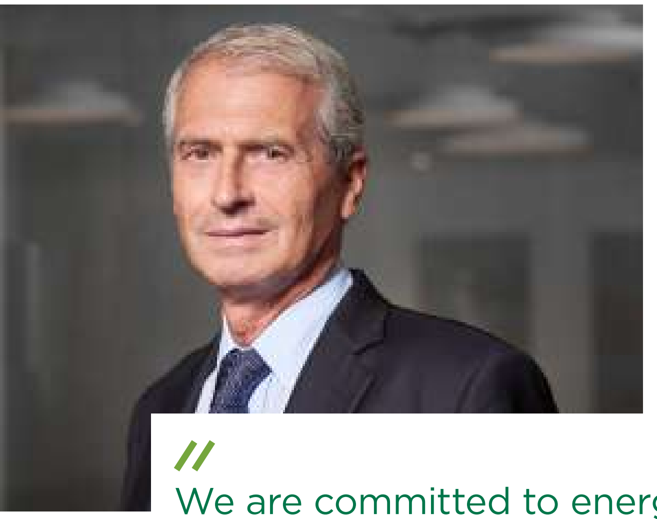
Shareholders
Financial stability and sustainable business practices are critical to our success. We aim to create long-term value for our shareholders by managing our business growth carefully and maximising returns on investment.

Key strengths

Our close relationships with Trafigura / Our customer focus and relationships / Our presence in high-potential countries / Our energetic spirit / Our great people

CHAIRMAN'S STATEMENT

In 2021, we faced a world of significant change and uncertainty as the global economy began to recover from the impacts of COVID-19 and world energy markets experienced considerable volatility.



We are committed to energising communities in emerging markets in a disciplined, dynamic and responsible way as we concentrate on increasing the growth and profitability of the business.

Navigating change and uncertainty

The macro environment we operated in through the year had a number of key characteristics. COVID-19 was a major factor, with successive variants and waves of infection alongside the rapid development and roll-out of effective vaccines. Clearly COVID-19 is still with us, and with it a considerable degree of challenge and uncertainty. Despite the enduring pandemic, many markets recovered through the year. This recovery was uneven and characterised by price volatility in key commodities, including energy and food, together with supply chain disruption. The other key trend was the acceleration in commitment and momentum behind the energy transition. This is now touching not just all industries but all aspects of those industries – from how businesses engage with customers to how they finance operations.

Living our purpose

Our purpose is energising communities. This sums up perfectly what we are about. And our focus is on doing this in the emerging markets of the world. This is where we can make the biggest lasting difference.

Our presence and investment in these high-potential countries is key. We are deeply connected to the local communities and have strong links with stakeholders across those communities. At the same time, we have the resources and network of a global energy company. So we are well-placed and determined to help with the just energy transition to renewable in emerging markets. Whereas there has been a great deal of progress on this in the developed world over the past few years, it has only just begun in many of the markets in which we operate. We want to help the communities we serve to become more sustainable while continuing to provide security of supply for the fuels on which they currently rely.

Following the recapitalisation and strengthening of Puma Energy's balance sheet, we now have a firm foundation for investing in ambitious growth plans for our core Downstream businesses.

Strengthening our business

Following the recapitalisation and strengthening of Puma Energy's balance sheet, we now have a firm foundation for investing in ambitious growth plans for our core Downstream businesses. The recapitalisation was achieved through a rights issue, which completed in September and the sale of our business in Angola, which completed in December. Also in December, Cochan Holdings ceased to be a shareholder in Puma Energy, meaning Trafigura's shareholding in Puma Energy now stands at 96.6%. The company has been consolidated into Trafigura but Puma Energy retains its independent management and governance. Consolidation has enabled closer alignment with Trafigura, enabling us to capitalise on its financial and operational strengths, and its global expertise in trading and managing risks.

The new management team, led by Hadi Hallouche, has been leading Puma Energy since 30 September 2021. The team has set a clear strategy for growth and is driving the reorganisation and sharpening of the business to execute it. It brings a high level of dynamism to a more decentralised organisation where local teams have greater accountability and responsibility.

Making the most of our distinctive culture

One of Puma Energy's greatest strengths is its collaborative, can-do culture – the Puma Energy spirit. Across the business there is an increased emphasis on driving transparency, simplicity and local empowerment – to deliver higher performance, faster.

There is also a continued emphasis on operating responsibly to the highest standards. Safety is always our top priority and we made significant progress on this front in 2021. As a business deeply committed to having a long-term positive impact, being responsible goes hand-in-hand with being dynamic. This is at the heart of how we operate.

Enhancing our governance

We continue to enhance our governance structures. This is fundamental to delivering on our strategy and achieving sustainable and profitable growth that benefits all stakeholders. One of the key areas here is our commitment to environmental, social and governance (ESG) matters. We will be launching our formal ESG strategy in the first half of 2022.

Making the difference

I would like to thank all our people for their great commitment and contribution through a very challenging year of change. Our people make the difference – bringing the Puma Energy spirit to life and working hard, day in, day out, for the business.

Looking ahead

In 2022, the company will be focusing on delivering the benefits of the financial strengthening, reorganisation and new leadership implemented in 2021. We have a number of initiatives in the pipeline, such as accelerating our role in the just energy transition in emerging markets. I look forward to a new era of growth and success for the company, our customers and the communities we energise.

René Médori
Chairman

CEO'S STRATEGIC REVIEW

We are committed to energising communities in emerging markets. In 2021, we reorganised and sharpened the business to unleash our full potential to succeed in this purpose.

"Above all, we are an emerging markets energy company; a company dedicated to energising communities in these fast-changing, high-growth markets.

Improving safety performance
Safety is our first priority. We have a company-wide commitment to zero harm and in 2021, we achieved significant improvements in our safety performance. For example, we reduced our Lost-Time Injury Frequency Rate (LTIFR) from 0.47 to 0.14 – a 70% improvement in performance year-on-year.

This is good progress, but there is still a great deal more to do and we will remain vigilant and active in our constant commitment to safety. Our aim is to keep improving so we can be best-in-class and living our Vision Zero goal: striving for zero harm to our colleagues, contracts, customers and communities.

Three key dynamics
Across Latin America, Africa and Asia-Pacific – the markets we focus on around the world are changing and growing fast. Building on our long history and substantial presence in these markets, we aim to meet the immediate energy needs of people, businesses and communities and play an increasingly significant and active role in their just energy transitions.

In our markets, three key dynamics are coming together.

Moving beyond COVID-19
Despite the ongoing uncertainties and challenges of the pandemic – notably the emergence of the Omicron variant at the end of 2021 – the direction of travel is predominantly one of moving beyond COVID-19. This is likely to be an uneven journey around the world and certainly not one taken overnight. But it is reasonable to believe that we will continue to find ways to manage the virus more effectively and to significantly reduce its impact over time.

Focusing on a just energy transition
Second, exemplified by COP26, 2021 was a watershed year for energy transition and environmental, social and governance (ESG) issues. There is a broad and deep conviction that growth in general and increasing energy needs in particular must be met sustainably without damaging social and economic development. Emerging markets are only just beginning to move towards renewable energy, and there is a great, as yet unmet, need for energy to be renewable, reliable and affordable. The priority here is for a just energy transition and a key focus for us is to ensure the communities in which we operate are not left behind.

Dealing with extreme volatility
Third, the return to global growth, which gathered pace in 2021, albeit unevenly, continues to be characterised by extreme price volatility, predominantly upwards, creates many pressures for people, businesses, communities and governments, particularly in emerging markets.

Our three strategic priorities
In line with these three dynamics, in 2021 we set three strategic priorities to drive greater, faster growth and success. I'll touch on each of these in turn, but first I'd like to highlight our top priority throughout Puma Energy – to achieve and maintain best-of-industry safety standards.

Simplifying and reinvigorating
Turning to our strategic priorities, the first is to simplify and reinvigorate our core business. This includes optimising our current portfolio and focusing on downstream growth; streamlining processes to become more efficient; strengthening regional and country management; and bolting on acquisitions in selected markets. It also means continuing our efforts to strengthen our balance sheet. In 2021, we took major strides to do so through the sale of non-core assets in Angola, Ivory Coast and Pakistan as well as our US$ 600 million rights issue. This allows us to invest in the business and reduce debt.

Our plan for the sale of our Infrastructure business is a key example of this strategic priority in action. It will open the way for more value to be created from the assets, while at the same time enabling us to increase our focus on our core Downstream business in high-potential markets.

This strengthening, streamlining and sharpening puts us in a stronger position to take advantage of the growth opportunities as the world emerges from COVID-19.

Preparing for the future
Our second strategic priority is to prepare for the future of energy in emerging markets. So we have integrated our Future Energies plans into our business.

"A business that is not disciplined about safety is a business that does not make money or perform well long-term.

This aligns with the gathering momentum behind ESG and the need to ensure the energy transition unlocks economic and social growth in the markets in which we operate.

Our initial focus is on installing solar on our own feasible assets, to maximise the environmental and cost advantages as quickly as possible while building experience and learning which will help us to develop future energy solutions for our customers and communities. As at 31 December 2021, we have solar generation installed and operational at 37 sites in five countries with a total capacity of 1,302 kWp. Investment continues and as at December 2021 our planned pipeline for 2022 is to complete solarisation projects on 251 sites with a capacity of 9,232 kWp.

In the first half of 2022, we will launch a detailed, structured ESG strategy with a particular emphasis on supporting economic and social development.

Working closely together
Our third strategic priority is to take full advantage of our close relationship with Trafigura. We aim to leverage expertise to win new business in B2B, aviation and supply, while creating new opportunities to combine market intelligence and source products competitively. In addition, we aim to optimise our supply chain and make the most of combined purchasing power, while making sure we apply best practice in risk management and continue to hedge products effectively.

In a world of extreme volatility, the distinctive additional strengths of our Trafigura connections are immensely valuable.

We have, for example, made good use of Trafigura's expertise to help us be more effective in meeting the needs of our commercial customers by strengthening our teams so they react more quickly to market movements.

Looking ahead
We have a strong strategy, great people and deep commitment. Looking ahead, it is now down to all of us in Puma Energy to make the most of the opportunities and deliver on our full potential at pace.

Hadi Hallouche
Chief Executive

MARKET CONTEXT

Our world continues to change at a fast, and at times, erratic pace. This inevitably creates great uncertainty, along with considerable challenges and opportunities.

Key trends
- The new growth cycle
- The demand for fuels
- The rise of new energies
- The criticality of environmental, social and governance (ESG) issues

THE NEW GROWTH CYCLE

The global growth story remains very much intact, while at the same time moving unevenly and at different speeds around the world.

2021 was a year marked by recovery and reflation, by periodic COVID-19 resurgence and supply chain bottlenecks and by record high prices as a result. The global economy continues to operate at different speeds, with each region rising or falling depending on the impact of COVID-19's successive variant waves, the amount of fiscal and monetary support, and the level and type of exposure to commodities. Broadly however, the world economy resumed its upward path out of the short, but very sharp, recession it experienced in the first half of 2020. This was accompanied by an unprecedented mismatch between supply and demand of commodities, resulting in historic price movements.

These trends have combined to create sharply elevated inflation levels around the world. These in turn are leading to rising interest rates and expectations of central banks tightening their accommodative monetary policies. However, we do not see this putting a significant break on the strong underlying global growth momentum.

Non-OECD countries are set to grow faster than OECD countries. There are a number of strong drivers for growth such as population growth, urbanisation, income growth and in turn, increased disposable income. Rising commodity prices are also good news for commodity-rich countries, as is rising demand in the developed world and as these countries return to growth, emerging markets will be major beneficiaries.

What this means for Puma Energy
With our combination of global capabilities and expertise and deep-rooted local experience and the support of our major shareholder, Trafigura, we are in a strong position to capitalise on sustained growth in emerging markets.

THE DEMAND FOR FUELS

The continuing demand for fuels in emerging markets is another key long-term story.

As these countries grow their populations, cities and economies, major demand for traditional road transport fuels will remain for some time to come. Per capita income levels are key. When they hit around US$ 4,000 per capita, overall energy consumption, and in particular road transport consumption, increases at a much higher rate than GDP growth. So peak oil demand in these countries will almost certainly come later than in the developed world, where regulation, demographics and the more advanced rise of renewables will hasten its arrival.

The upward trend in energy prices accelerated through 2021, with Brent oil increasing by 50% year-on-year. This rise came despite successive waves of COVID-19 infections, restrictions and lockdowns at different times across the markets we focus on. This inevitably resulted in uneven energy demand across different countries through the year, but the underlying trend remained up.

The combination of supply constraints with the patchy but sustained recovery in demand resulted in sharply lower oil inventories globally. This provides another driver for sustained energy inflation into 2022 and beyond.

What this means for Puma Energy
The long-term demand in our markets for reliable, affordable fuel and lubricants provides growth opportunities for Puma Energy.

THE RISE OF NEW ENERGIES

COP26 marked a major step forward in the commitment to tackling climate change and in turn, increased the impetus behind the rise of renewables.

Global growth will be driven by investment in energy, infrastructure and development across the Americas, Africa and Asia. Moreover, in many ways it will be a green recovery focused on sustainable energy solutions.

In emerging markets, the rise of renewables is only just beginning, compared to the major advances in the developed world. This represents a huge opportunity for the just energy transition in these countries.

The new world of energy will be a mix. Natural gas, for example, has a role to play in helping to provide security of supply. But solar will be important too. Clean and increasingly cheap, solar is now often not just a competitive option, but the most cost-effective choice. Moreover, as the technology continues to improve and adoption increases, the costs will come down further still. Solar is being rolled out at an increasing pace across the developed world, but the biggest potential is in emerging markets where there is a demand for renewable solutions and, to date, little development to meet this demand.

Moreover, in high-potential countries, where there are fewer entrenched traditional energy supply networks and established interests, there is an opportunity to leap ahead with sustainable energy, generated locally in the communities that need it.

What this means for Puma Energy
We have a broad presence and deep commitment to the emerging markets we serve, and want to help customers, governments and communities to reap the benefits of a just renewable energy transition. Starting with installing solar on our own assets and new commercial offers such as LPG. LPG is a good example of a commercial offer which can cut carbon by replacing fossil alternatives, improve health by reducing particulate emissions in homes and improve quality of life by reducing time spent collecting wood fuels.

// We are well-placed to navigate the high degree of uncertainty and volatility in our emerging markets as we work hard to meet the immediate and future energy needs of our customers and communities.

THE CRITICALITY OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) ISSUES

From mounting investor pressure to increasing regulation – the criticality of environmental, social and governance (ESG) issues gained further momentum.

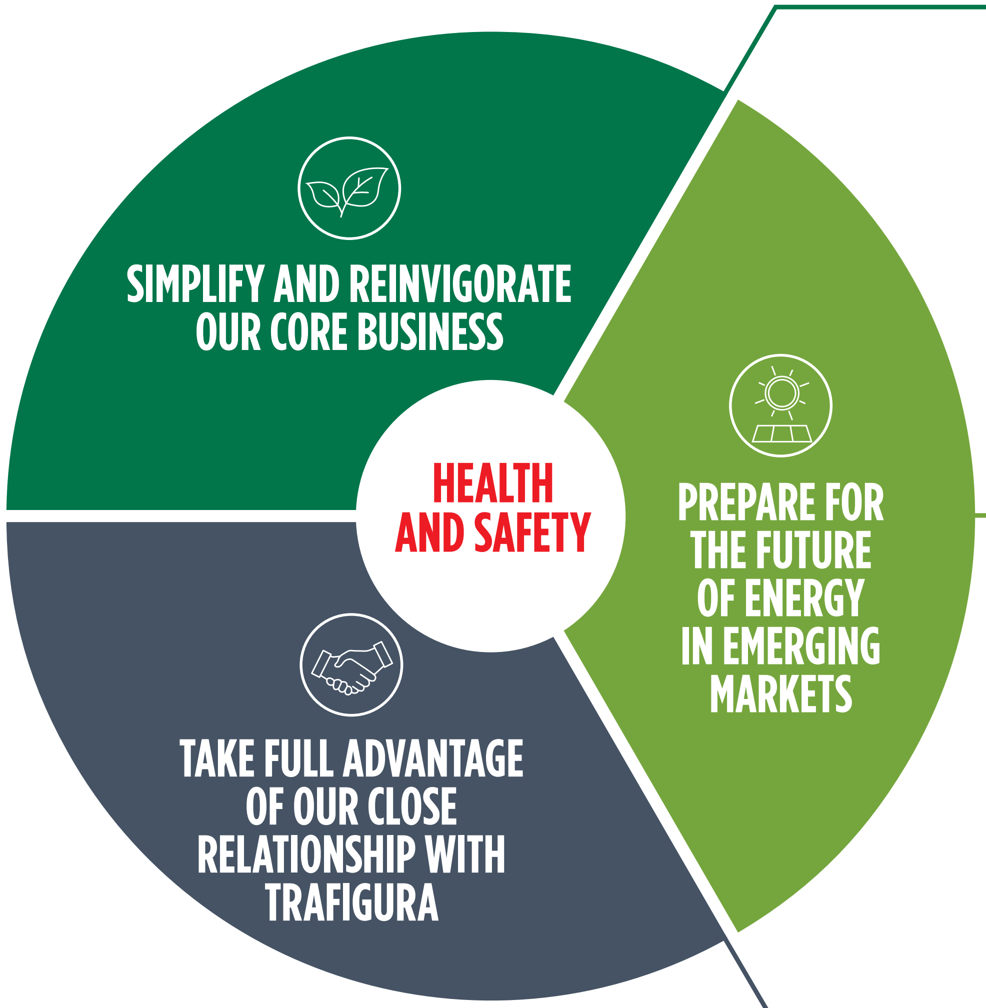
ESG is a core consideration for all companies, investors, employees and stakeholders. It complements and strengthens the broader belief that strong, purpose-led, values-based companies are the ones that thrive and deliver sustainable value.

Strong ESG is not an optional add-on. It is a must-have – a key source of long-term competitive advantage.

What this means for Puma Energy
We are committed to ensuring we embed strong ESG throughout Puma Energy. To this end, we will be launching our formal ESG strategy in the first half of 2022.

OUR STRATEGIC PRIORITIES

To make the most of the opportunities we have to grow and succeed at a faster pace, in 2021 we focused on three strategic priorities, with safety at the core.



SIMPLIFY AND REINVIGORATE OUR CORE BUSINESS

Our focus
- Optimise and modernise our portfolio and focus on downstream growth
- Streamline processes to become more efficient
- Strengthen regional and country management
- Bolt on acquisitions in selected markets

PREPARE FOR THE FUTURE OF ENERGY IN EMERGING MARKETS

Our focus
- Integrate Future Energies plans into our business
- Focus on reliable, affordable energy to meet development needs
- Install solar and battery solutions on our own assets
- Explore new energies and more sustainable products, starting with B2B

TAKE FULL ADVANTAGE OF OUR CLOSE RELATIONSHIP WITH TRAFIGURA

Our focus
- Leverage expertise to win new business in B2B, aviation and supply
- Create new opportunities leveraging combined market intelligence and source products competitively
- Optimise supply chain and leverage combined purchasing power
- Apply best practice in risk management and continue to hedge products effectively

KEY PERFORMANCE INDICATORS

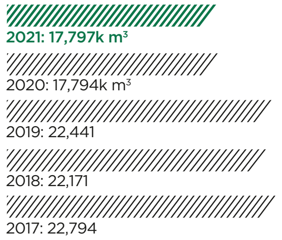
We assess our performance across a range of financial and non-financial measures.

Financial and operational KPIs*

Sales volumes (k m³)

Volume of oil products sold to Puma Energy customers from the retail, wholesale, B2B, aviation, LPG, bitumen and lubricant sub-segments.

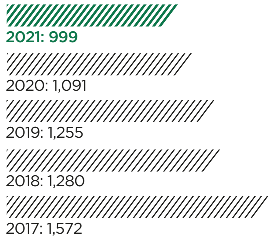
Rationale
This figure is a strong indicator of the Group's Downstream market share. Management targets growth in sales volumes that exceeds growth in target markets.



Gross profit (US$M)

Revenue from sales, less the cost of purchase and delivery of products.

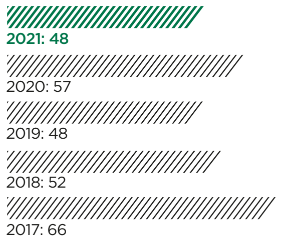
Rationale
This figure provides a top-line view of our profitability, especially in Downstream markets. We optimise sales performance by increasing sales volume and/or adjusting pricing to increase unit margin. Gross profit shows the effectiveness of these two strategies in combination.



Unit margin (US$/m³)

Downstream gross profit divided by sales volumes. This is the main indicator of basic profitability after deducting the purchase price and variable costs from the sales price.

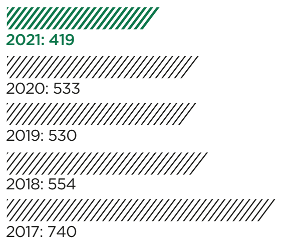
Rationale
This measures pricing performance in free markets and is usually the key factor to determine profitability and the return on investments in regulated markets.



EBITDA (US$M) (including discontinued operations and excluding IFRS 16 impact)

Earnings before interest, tax, depreciation and amortisation.

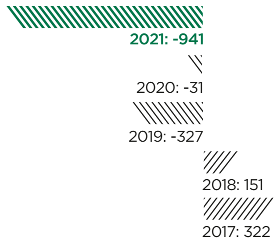
Rationale
EBITDA is a key measure of profitability. It demonstrates the ability to generate cash flow that can be reinvested to stimulate future growth and is used as a base for the valuation of a company.



Operating profit (US$M)

Profit after depreciation and amortisation but before interest and tax.

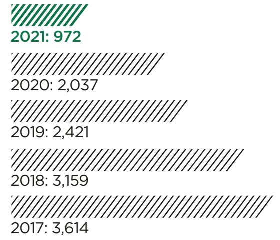
Rationale
Operating profit is its total earnings from the core business functions of the company excluding the deduction of interest and taxes.



Net tangible fixed assets (US$M)

Total value of property, plant and equipment less cumulative depreciation.

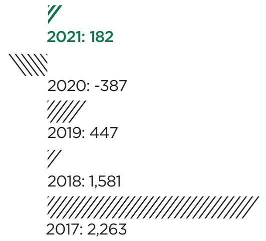
Rationale
Indicative total value of our underlying asset base. Fixed assets are kept at historic costs less accumulated depreciation.



Consolidated net worth (US$M)

Consolidated value of shareholders' equity. This reflects the net book value of Puma Energy's assets at the year end.

Rationale
This gives an indicative value for the business. It is not a proxy for fair market value as no allowance is made for future growth, but it does give shareholders an indication of the minimum value of the business.



Non-financial KPIs

Work-related fatal injuries

Total number of direct work-related fatalities among Puma Energy's employees and directly supervised contractors.

Rationale
We monitor Puma Energy's safety procedures both within our own direct operations and within our dealer retail network. We had zero fatalities at both employee and directly supervised contractor levels in 2021, reinforcing our vision of zero harm.

2021	0
2020	0
2019	0
2018	1
2017	0

Lost-Time Injury Frequency Rate

Number of lost-time injuries multiplied by 1,000,000 divided by total man-hours worked. Also known as LTIFR.

Rationale
This is an absolute measure of safety levels in facilities. We acknowledge that any injury resulting in an employee or directly supervised contractor being off work for any length of time comes at both a huge personal cost and considerable business impact.

Management closely monitors LTIFR trends to inform corrective measures that must be applied and to continuously improve safety performance.

On a constant perimeter basis, we saw a reduction in our LTIFR from 0.47 to 0.14. This represents a more than 70% improvement in performance.

2021	0.14
2020	0.47
2019	0.74
2018	1.6
2017	1.9

*2020 figures have been restated to exclude Infrastructure business, which has been classified as discontinued.

PERFORMANCE REVIEW

BUSINESS REVIEW

In line with our purpose and strategic priorities, we have reorganised the business to make our focus more regional and local where it makes sense to do so. This will enable us to focus on maximising our potential to grow and create value.

Our regional and local management teams are the ones who understand best the markets and customers they serve. To make the most of this, we have simplified the organisation by moving commercial activities from global to regions, giving them greater autonomy and accountability.

Downstream
We have reorganised our Downstream business into three geographic regional divisions to manage our retail, lubricants, supply, wholesale and commercial (B2B) operations. These are:

- Latin America
- Africa
- Asia-Pacific

We also operate two global Downstream lines of business, to best serve the international nature of their markets and customers. These are:

- Aviation
- Bitumen

Central functions ensure governance controls and processes are followed, share best practice and partner with local management to support delivery where it makes sense to do so. We believe this allows us to be more agile and dynamic while increasing discipline and good execution.

Future Energies has been integrated into the business, so we can focus on seamlessly installing solar at our company-owned and leased assets. In the longer term, we are exploring options to apply the learning from this to extend a renewable energy offer to our customers and the communities in which we operate.

Infrastructure
Our global Infrastructure business unit has a world-class network of major terminal assets.

In line with our strategic priority to simplify and reinvigorate our core business with a focus on Downstream, in November 2021 we announced our intention to sell a significant part of our infrastructure business.

DOWNSTREAM

Excelling in providing high-quality, competitively priced energy solutions for people and businesses

Retail
Putting retail customers first to provide a great all-round experience all day, every day

24 *Markets served*

1,948 *Retail sites*

Commercial
Partnering with commercial customers to provide tailored energy solutions

29 *Countries served*

Aviation
Serving the world's airlines and airports safely and reliably

24 *Countries served*

103 *Airports served*

Lubricants
Helping businesses and consumers save costs, enhance efficiency and improve machinery life cycles by using the right lubricants in the right way

28 *Countries served*

Bitumen
Leading in the sourcing and supply of bitumen around the world

13 *Markets served*

311K M^3 *Bituman storage capacity*

Storage and Refining
Supporting our Downstream business with storage terminals and refining assets

2 *Refineries*

52.5K *barrels of oil per day Refining capacity*

INFRASTRUCTURE

Optimising our world-class network of major terminal assets

29 *Major marine terminals*

2 *Major inland terminals*

DOWNSTREAM LATIN AMERICA

We saw a return to growth in the Latin America region across key countries and markets, and continued to invest in our retail business and brand.

Overview

9
Countries

8,493K M³
Sales volume

US$ 161M
Operating profit

US$ 4,807M
Revenue

Highlights

- Investing in our retail offer
- Rolling out more Super 7 convenience stores
- Sharpening our commercial teams
- Installation of solar generation on our assets

Where we operate

- Belize
- Colombia
- El Salvador
- Guatemala
- Honduras
- Nicaragua
- Panama
- Puerto Rico and US Virgin Islands

Focusing on retail

In 2021, we made significant capital investment in our retail networks across Latin America. In the second half of the year we also took steps to reduce costs and boost productivity while maintaining our commitment to quality and health and safety.

We appreciate that our local teams know their customers and markets best, so in the second half of the year we restructured our regional and in-country management to increase local accountability and the seniority of country management teams.

We succeeded in recovering market share in a number of countries across the region. Fuels demand was fairly strong across the region through 2021. The recovery from the pandemic was reasonably rapid. However, convenience retail continued to be affected by COVID-19 through much of the year, with restrictions on night selling, for example, holding back demand. Towards the end of the year, the easing of restrictions in turn enabled demand to strengthen.

Investing in our retail network and convenience offer

Improving our retail and convenience offer is a top priority and we continued to invest in our retail network and offer. This included bringing in 27 new sites in 2021. We also focused on updating a number of forecourts to the new image standards.

We accelerated our programme of rolling out our Super 7 brand of convenience stores. All the new or updated Super 7 stores have a fresh, modern identity and layout designed to give our customers the best possible retail experience. This investment is changing the perception of our brand in the market, which in turn should contribute to an increase in volumes and profitability.

Consolidating our loyalty and fleet programmes

We consolidated our Puma PRIS loyalty and fleet programmes in our pilot country Panama. This has enabled us to create a firm foundation of experience and learning so that in 2022 we can roll out the programmes effectively and successfully to other countries in Latin America.

> Our Latin America business is managed by people living in the region. They know their customers and communities best, and are focused on making quicker, better decisions to grow the business, supported by expert central teams.

Continuing to roll out our Polaris point of sale system

In 2020, we introduced our Polaris point of sale (POS) system across 20 sites in Panama and we continued to roll it out in 2021, to Guatemala, Honduras and Puerto Rico. This advanced, cloud-based system enables us to integrate all our processes, from scanning items to offering promotions for different parts of the day. It also helps us gain more insight into what our customers need and informs how we improve our customers' experience.

Supporting our commercial customers

Through 2021 we focused on increasing our market share in the wholesale and commercial (B2B) markets. We have been more dynamic in looking to identify and meet the needs of our commercial customers, and have been strengthening our teams so they react more quickly to market movements. As a result, volumes in this part of our business grew through the year.

Lubricants

Our lubricants business across the region had to contend with a significant rise in the price of base lubes. This put unavoidable pressure on margins. We managed this pressure while ensuring we continued to deliver for all our customers. We also focused on increasing our efficiencies and refining our approach. This has put us in a stronger position to develop the lubricants business going forward.

Making the most of our refinery

Our Managua refinery in Nicaragua is a key asset in the region. It ran at full capacity through the year. We built on the major upgrade carried out in 2020, which was undertaken on time without any injuries or incidents. The turnaround also included a major capex project to improve the efficiency of gasoline production, and increase the time between planned outages.

Moving our support functions

During the year we moved our support functions for the region to a third-party expert, Accenture. The partnership will enable us to maximise efficiencies and service levels across the region.

Installation of solar generation on our assets

Our programme to install solar power generation on our assets continued through the year. In all, now have solar installations running at four sites in three countries across the region. We plan to complete the solarisation of more sites across the region in 2022, as well as exploring an offer for commercial customers later that year.

Looking ahead

Looking ahead, we will continue to grow our business across the region. In particular, we will focus on accelerating our investment in retail, notably the roll-out of our Super 7 convenience brand. We see growing demand for fuels and for the high-quality experience we can deliver to customers through our expanding network of strategically located, modern sites.

DOWNSTREAM AFRICA

We navigated a tough year in the Africa region and focused on aligning the business for future success.

Overview

16
Countries

6,386K M³
Sales volume

US$ -1,012M
Operating profit

US$ 4,284M
Revenue

Highlights

- Expanding our retail network
- Restructuring to enhance performance
- Strengthening our commercial (B2B) offer
- Solarising our assets
- Completing the sale of our Angola business

Where we operate

- Benin
- Botswana
- Congo
- Eswatini
- Ghana
- Ivory Coast
- Lesotho
- Malawi
- Mozambique
- Namibia
- Senegal
- South Africa
- Tanzania
- Zambia
- Zimbabwe

A challenging year

It was a challenging year for the Africa region. COVID-19 continued to be a major factor, with lockdowns supressing demand and disrupting supply chains. Political instability was also a feature. Two of our largest markets, Zambia and Tanzania, had presidential change. Moreover, significant price rises, notably in energy and food, added to the pressure across the region. Despite these challenges, we increased volumes and profits compared to 2020 but they are not yet back to 2019 levels.

Driving down costs

We focused on driving down costs across the region, particularly in the second half of the year. This was key in improving profitability. To achieve these results, we enhanced management of the key performance levers: cost of goods, variable expenses, fixed costs and volumes.

In addition, there was a region-wide effort to cut overheads, going hand-in-hand with the strategic objective of empowering the countries and reducing the regional layer. This enables us to generate significant costs savings while simplifying the organisation, strengthening our health, safety, security and environment (HSSE) and enhancing the focus on growth.

Optimising our retail network

In 2021 we continued to invest in our retail networks in our core, high-potential, markets. While, as part of our recapitalisation programme, we also sold our business in Angola.

Through 2021, we invested in 41 new sites, our convenience retail offer and fleet programme. We deployed the new fleet programme in Zambia. We also concentrated on refocusing our convenience retail strategy in Zambia and Botswana, so that we could improve performance before rolling out the refined approach across the region.

Allied to this refocusing in convenience retail, we paused our roll-out of the Puma PRIS loyalty programme across the region. The plan is to strengthen and resume it as part of the continued expansion of our retail offer in 2022.

> We have set a clear direction for the Africa region and focused through 2021 on reorganising and empowering our people to deliver enhanced performance. This puts us in a strong position as market conditions become more favourable.

Solarising assets

We now have 14 solar projects operating in Ghana and 18 in Namibia. We plan to roll out solar projects at more sites across Africa in 2022.

Offering sustainable energy solutions

We are also creating a future fuels unit in Zambia to serve our mining customers with sustainable energy solutions, ranging from LPG to longer-term solutions such as hydrogen and ammonia. Customers are responding positively to the proposition, and this will be a focus for us in 2022.

In addition, we are working on introducing a new line of business focused on providing LPG to households in Africa. Planned initially for Tanzania, Mozambique and Namibia, this offer of low-carbon, clean-burning, affordable fuel for families on relatively low incomes is an example of our commitment to help in the just energy transition across emerging markets. With ready access to affordable LPG, families can enjoy reliable, relatively clean energy rather than burning firewood, charcoal or coal, which pollute the air within households and release greenhouse gases. What's more, people no longer have to spend time and effort gathering the firewood. So the move to cleaner cooking with LPG creates environmental, health and social benefits.

Focusing on lubricants

We were on track with our lubricants volumes across the region and completed the move to supply our own brand lubricants at our retail sites in Namibia and Tanzania. However, the increase in raw material costs significantly affected our profitability.

Enhancing our commercial (B2B) offer

Through the year, we changed our approach to commercial (B2B) markets, while continuing to ensure we delivered for our existing customers. We put greater emphasis on increasing volumes and on being quicker and better to react to the market. This included investing significantly in training of our teams to make them more commercially connected to the market environment. Our commercial teams in Africa and all three regions are also benefiting from Puma Energy's closer cooperation with Trafigura and its global expertise and resources.

Looking ahead

Over the next few years, we will continue our programme of capital investment in retail – growing both the number of sites across our network and the strength of our convenience retail offer. In 2022 we plan to open further sites and roll out more Super 7 stores.

We also plan to roll out a technology upgrade for our retail sites, so we can further enhance our control and performance across the region.

DOWNSTREAM ASIA-PACIFIC

We are implementing our strategy of focusing on high-potential markets in the Asia-Pacific region where we can add long-term value.

Overview

8
Countries

US$ 1,688M
Revenue

US$ -85M
Operating profit

2,572K M^3
Sales volume

Highlights
- Prioritising safety
- Focusing on Papua New Guinea
- Completing the sale of our Pakistan business
- Installation of solar generation on our assets

Where we operate
- Australia
- China
- India
- Malaysia
- Myanmar
- Papua New Guinea
- UAE
- Vietnam

Prioritising safety
We make safety our highest priority across the region. A good example of this is Papua New Guinea where in June 2021 Prime Minister James Marape joined us at our Napa Napa Refinery to mark 14 million working hours without injury at all 28 of our operational sites in the country.

Focusing on Papua New Guinea
We play a key part in meeting Papua New Guinea's energy needs. This includes operating a refinery together with a network of coastal storage terminals to ensure security of supply across the country. We also have 54 retail sites and a presence at 11 airports. In addition, we provide fuel for businesses operating in Papua New Guinea, mainly mining companies.

Retail
Successive lockdowns through the year inevitably affected the performance of the retail business. However, volumes were better than 2020. In 2021, we began a cycle of increasing investment in the retail network. We are refurbishing and updating our sites to create a modern offer, including our Super 7 convenience brand. This investment programme will continue into 2022.

Commercial customers
Our commercial (B2B) business in Papua New Guinea mainly serves mining companies. In the first half of the year, demand was supressed by the ongoing pandemic resulting in low commodity demand and prices. However, through the second half of the year demand and prices recovered. As a result, mines resumed full production and we see good prospects for sustained growth in fuel demand from our commercial customers.

COVID-19 vaccinations
Across Papua New Guinea vaccination rates as a whole are particularly low. We have been actively involved in helping to counter this by providing education and vaccines for our employees. To date, more than 90% of our employees in the country have been vaccinated.

Installing solar
Increasing our use of renewable power and reducing our carbon footprint is a key priority for us. So far, one solar project is operational and producing revenue, but in 2022 we have plans to roll out further solar projects.

Concluding the sale of our Pakistan business
As part of our ongoing drive to focus on high-potential markets where we can add long-term value, we concluded the sale of our Pakistan business in December 2021.

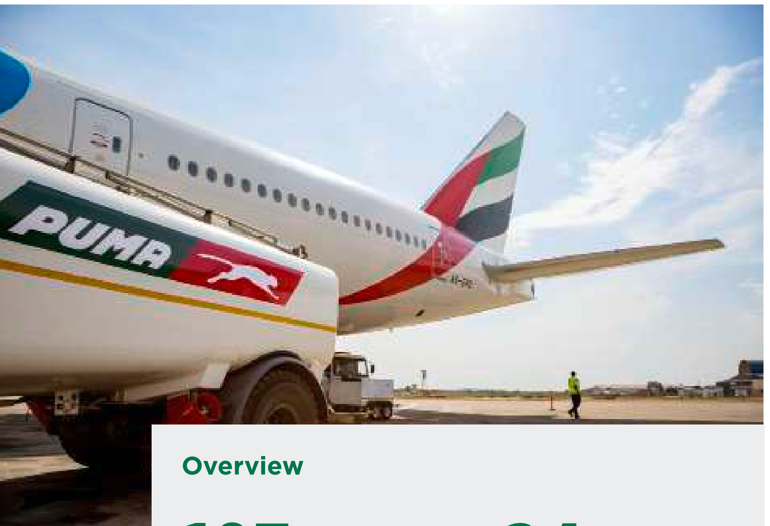
> We are proud to play a key part in meeting the energy needs of the people, businesses and communities of Papua New Guinea.

Looking ahead
The outlook continues to remain uncertain and we are positioning the business to manage continued change and volatility across the region and take full advantage of opportunities. In Papua New Guinea for example, we believe mining demand will be strong and our commercial (B2B) business will look to make the most of this growth.

DOWNSTREAM AVIATION

We continue to grow our Aviation business around the world, focusing on quality, safety and security of supply for our customers to ensure we meet their requirements day-in, day-out.

Our Aviation business recovered well through the year – winning new customers, expanding its network and continuing to invest for the future.



Overview

103
Airports served

24
Countries served

Highlights
- Improving safety across our network
- Winning new airline customers and new airport contracts
- Exploring opportunities in sustainable aviation fuel

Our Aviation business
We are proud to serve the world's leading airlines and airports, and many local and regional players providing essential air connections across the emerging markets we serve. Our customers, large and small, know they can rely on us 24/7 – ensuring security of supply, high-quality fuel approved to international standards and fast turnaround times. We take care of everything – from importation, handling, storage, bridging and transportation, to into-plane operations at our own airport fuelling depots.

Improving safety
Safety is our number one priority in Aviation, as it is across the whole of Puma Energy. We have achieved a structural improvement in safety across the Aviation business over the past few years. The focus is on maximising safe behaviour at airports. We have a rigorous quality and safety inspection regime, with frequent testing to ensure the highest standards. As a result, the number of incidents continues to reduce.

Increasing volumes
In the first six months of the year, volumes remained relatively flat, reflecting the continued challenges of the pandemic, with lockdowns suppressing the demand for air travel. However, through the second half demand recovered. Indeed, in certain markets, such as Puerto Rico and Ghana for example, volumes exceeded 2019 pre-COVID levels. Other markets that have performed particularly well include Tanzania and Benin.

Winning customers
Our strong focus on winning new customers and increasing our market share continued through the year. We won several tenders in 2021 – from LIFT, a new domestic airline in South Africa to SmartWings, a major airline from the Czech Republic. We also won a contract with Alaska Airlines, the fifth largest airline in the United States. Alaska, together with its regional partners Horizon Air and SkyWest Airlines, operates a large domestic route network to more than 100 destinations across the United States, Hawaii, Belize, Canada, Costa Rica and Mexico. Another key win was Sun Country/Amazon. Sun Country operates 10 Boeing 737 freighters for Amazon.

Entering new airports
Building on our move into five new airports in 2020, we entered 22 more in 2021, bringing our total number to 103. This includes the contract to provide fuel for the new Ndola copper belt airport in Northern Zambia. We have also secured a major long-term contract with Air New Guinea at the Port Moresby Airport in Papua New Guinea.

Renewing concessions
As well as winning new contracts, we also succeeded in renewing concessions in a number of markets, including Botswana, Namibia and Tanzania.

Investing in new filtration systems
We have undertaken a comprehensive investment programme to meet new filtration requirements across our network of airports. This has included upgrading vehicles to meet the latest IATA standards. COVID-19 meant our contractors were restricted, so we self-trained our people and carried out the necessary work ourselves.

Supporting sustainable aviation
We have increased our focus on exploring opportunities to commercialise Sustainable Aviation Fuel (SAF) in order to support carbon reduction and more environmentally friendly transport. This includes working with various partners and customers on solutions.

Trafigura's agreement with SAF producer Gevo will enable us to supply SAF to customers increasingly interested in using low-carbon jet fuel. We are looking forward to making the most of the opportunities to provide SAF across airports including Luis Muñoz Marín International Airport in San Juan, Puerto Rico; Kotoka International Airport in Accra, Ghana; Julius Nyerere International Airport in Dar es Salaam, Tanzania; El Salvador International in San Salvador; and Maun International Airport, Botswana.

Increasing Avgas production
Compared to the large-scale production of Jet A1, Avgas is manufactured in relatively small quantities by a limited number of facilities around the world. We have been addressing this challenge by investing significantly in our world-class Avgas production facility in Estonia, to make sure our customers have access to the best quality fuel. Our facility enables us to supply Avgas all around the world to serve airfields, fixed-base operators (FBOs), flying clubs and independent distributors.

In 2021, we invested in expanding the fully automated facility, so it can now produce and store the highest quality Avgas for global distribution. To guarantee high quality, safety and performance, we meet and exceed stringent international standards for aviation gasoline. We produce Avgas according to Def-Stan 91-090 issue 4 and ASTM D 910 standards. The production facilities are ISO 9001 and 14001 certified and designed to the latest requirements set by the aviation industry.

Enhancing digitalisation
We have centralised aviation processes in the Group's global shared services hub in Mumbai. This provides a strong base for us to create more streamlined and efficient customer services and ways of working, notably through digitalisation. In 2021, we built on our eAviation technology where we carried out multiple business process automations using low code platforms and workflows such as Xceptor. Our focus has been to ensure we provide customer service solutions that are a first in the industry; on-time processing of customer requests and transactions; accurate invoicing first-time; and world-class service to our global customers. To increase efficiency, we carried out multiple business process automations across 15 sites. As a result, we increased response rates and turnaround times for customer queries; created more than 200 hours of capacity for value-adding customer management per month; freed up more time for our customer service agents to provide a better service to our customers; and improved transaction accuracy.

Looking ahead
The recovery has been uneven through 2021, but looking ahead we see a structural return of volume and momentum across our Aviation business. Uncertainties, not least surrounding COVID-19, remain, but we are confident and committed to keep investing in and growing our Aviation business, to continue serving our aviation customers around the world.

DOWNSTREAM BITUMEN

In a challenging year, we demonstrated our critical role, resilience and the strength of our relationships with our bitumen customers.

Overview

13
Markets served, 13 with direct distribution

12
Bitumen storage terminals worldwide

Highlights

- Meeting our customers' requirements with the world's most advanced bitumen fleet
- Continuing to invest in modern production facilities and new, sustainable products

Markets with direct distribution

- Chile
- El Salvador
- Nicaragua
- Benin
- Congo
- Nigeria
- Australia
- China
- India
- Malaysia
- Vietnam
- Spain
- United Kingdom

Our Bitumen business
We are a global market leader in the sourcing and supply of bitumen. Our integrated bitumen solutions play a key part in the construction and maintenance of roads that are in turn essential to connecting economies and communities around the world. Drawing on our global reach, experience and expertise, along with our advanced technologies and customer focus, we supply our customers with the high-quality bitumen they need – safely, efficiently and on time.

As a global market leader in the sourcing and supply of bitumen, we are proud to go further to create better performing roads. We act as a reliable international connector for bitumen producers and customers.

Navigating a challenging market
Worldwide demand for bitumen in 2021 was relatively uneven and low, reflecting the continued disruptions and challenges of COVID-19. Demand for bitumen imports in the key markets of China and the USA, for example, were down through the year. As a result of the above, volumes for the Bitumen business decreased by approximately 17%.

Shipping fleet
The shipping fleet used to transport our bitumen is one of the largest and most advanced in the world. Being able to transport bitumen safely and reliably from producers to customers around the world is one of our core strengths.

Investing for the future
We continued to invest in the business, reflecting our ongoing commitment to leading in bitumen. This included, for example, investing in refurbishing our terminal tanks.

We also continued our investment in exploring developing the advanced bitumen solutions our customers are increasingly looking for.

> We aim to keep developing and delivering the high-quality, high-performance bitumen products and support services our customers need around the world.

Developing sustainable solutions
We are committed to developing sustainable bitumen solutions for our customers. One of the high-performance products we are now offering our customers is OLEXOCRUMB®. An innovative, environmentally friendly product, it gives end-of-life tyres a new lease of life in the form of crumbed rubber-modified bitumen. These tyres used to be disposed of internationally as waste. Now we're turning them into state-of the-art bitumen that's better for roads and for the environment.

Our OLEXOCRUMB® product has been a great success in Australia and we are investing in new production facilities to help us meet rising demand for this and other speciality products so we can continue to lead in the market. The new facilities will have the highest production capacity in Australia, with a superior production method unique to Puma Energy.

Focusing on advanced solutions
Alongside the new production facilities, we are investing in our Global Technology Centre in Melbourne, Australia, where we research and develop new solutions. We are also opening new quality assurance laboratories in Cadiz, Spain and Malaysia. It is all part of our ongoing focus on advancing our solutions and building ever stronger relationships with our bitumen customers. In the UK for example, we are at the forefront of recycling bitumen – enabling our customers to take up an old road and combine it with our special bitumen product so they can re-lay it.

Looking ahead
While challenges remain, we see a positive outlook for bitumen demand as countries resume road and other infrastructure programmes. This is likely to be coupled with constraints on supply. Taking these two together, our Bitumen business is well-placed to increase in size and profitability.

We are in the unique position of having both a strong local presence together with the investment in state-of-the-art bitumen terminals and ships, and also the global reach, network and financial capability that comes from our closer relationship with Trafigura.

Drawing on our longstanding relationships with customers, together with our reputation for reliability and quality, we aim to capitalise on the upturn.

INFRASTRUCTURE

We established our Infrastructure business as a standalone business unit in 2020 and throughout 2021 we continued to focus on optimising our assets to create greater value, serve our Downstream customers and attract additional customers.

Overview

27
Major marine terminals

16
Countries

2
Major inland terminals

Highlights

- Continuing to invest in world-class infrastructure assets
- Enabling customers to supply, import, export and trade energy products globally
- Announcing the sale of the business to increase our focus on Downstream and create more value

Where we operate

Americas
- Belize
- El Salvador
- Guatemala
- Honduras
- Panama
- Puerto Rico

Europe
- UK
- Estonia
- Finland
- Norway

Africa
- Ghana
- Mozambique
- Namibia
- Tanzania

Middle East and Asia-Pacific
- Australia
- United Arab Emirates

> By selling our Infrastructure business, we will open the way for even more value to be created from the assets while at the same time enabling us to increase our focus on our core Downstream business.

We have a global network of 27 marine and two inland terminals within our Infrastructure business unit. In November 2021, we announced our intention to sell the business.

As well as the 29 terminals within the Infrastructure unit, we operate a further 51 smaller terminals, which support the Downstream business.

Our Infrastructure business

Our infrastructure assets have been an essential part of the energy landscape in the countries in which we operate. Over the years we have invested in high-quality facilities and services to support current requirements and anticipate the future needs of customers.

The strategically located global network of major infrastructure assets includes some of the newest, most efficient and best-in-class terminals in service today. They enable customers to supply, import, export and trade energy products across their markets.

Since the creation of our Infrastructure business unit, we have found opportunities to use storage capacity more effectively, helping us to support the energy needs of the communities we serve more efficiently. In doing so, we have built an attractive business that appeals to new customers, partners and investors.

Expertise, services and technology

The business provides a range of services, from blending to complex logistics, handling and delivery. Advanced Terminal Management Systems give customers direct, online and real-time access to their stored products, so they can track stock movement. The highly skilled and committed workforce ensure the highest standards of safety, and a dedication to excellent, efficient operations.

Capitalising on opportunities

Throughout the year, we continued to invest in and manage our network of major assets as value generators, rather than cost centres. There is scope to create further value here – many of our assets have capacity to handle more products and services. We believe this potential will be unlocked through the sale of the Infrastructure business.

Increasing our focus and creating value

In line with our strategic priority to simplify and reinvigorate our core business with a focus on Downstream, in November 2021 we announced our intention to sell Puma Energy's Infrastructure business.

The anticipated sale and new investment will bring the necessary financial backing, strategic direction and market expertise to attract new customers, partnerships and opportunities for our Infrastructure employees, while allowing us to concentrate on optimising and growing our core downstream activities and customer base.

RESPONSIBILITY

Our commitment to corporate responsibility is rooted in our purpose, values and culture. We know that robust environment, social and governance (ESG) principles are essential to the sustainable growth and success of our business and to the communities we serve.

In 2021 our approach to ESG was guided by 10 broad principles, outlined below:

- Provide our employees, customers and partners with a safe and healthy business environment
- Promote equal opportunities and foster a just and inclusive culture
- Keep local prosperity at our heart
- Connect communities with secure, reliable and more sustainable sources of energy
- Apply good industry practice and an ethical approach wherever we operate
- Promote an open dialogue and engagement on key ESG issues with all stakeholders
- Embed ESG principles into all business activity and new investment
- Reduce our environmental impact
- Lower carbon from our operations
- Invest in technology and customer offers that support the just energy transition

We intend to revisit these principles and publish a new ESG strategy in the first half of 2022.

Engaging with our stakeholders
We know that engaging closely with all our stakeholders is fundamental. Building a strong, sustainable business means energising communities through a positive economic, social and environmental impact. To do this well, we work closely with a diverse range of partners and stakeholders. We take time to engage with all key our stakeholders, not just to tell them what we are doing but also to listen to them and make sure we respond appropriately.

Five key areas

As a responsible business, we focus on five key areas: health and safety, environment, our people, communities, and operating responsibly. We explore each in more detail in the sections that follow.

Environment
We want to run our business in the most environmentally friendly way possible.

Our people
Our people are the driving force behind the growth and success of Puma Energy.

Health and safety
We set, live up to and continuously look to improve on the highest health and safety standards.

Communities
We focus on making a lasting positive difference to the communities we live and work with.

Operating responsibly
We are committed to operating responsibly throughout Puma Energy.

Our key stakeholders are:

Retail customers
Our products and services are used by millions of people around the world. The continued strong performance of our business would not be possible without understanding our customers' needs and expectations.

Commercial customers
Our commercial customers rely on us to provide them with high-quality tailored energy solutions to support their growth and success.

Employees
Our employees are at the heart of our success. We aim to create a safe, trusting, respectful and inclusive culture so our colleagues can be proud of their work and empowered to succeed.

Business partners
We build strong relationships with all our business partners to ensure we are collectively energising communities. Our business partners include suppliers, contractors, franchisees and dealers.

Local communities
We aim to support and empower the communities where we live, work and sell. By ensuring we make a positive contribution, we can help build thriving communities and strengthen our business.

Governments and regulators
As a responsible business, we are committed to engaging constructively with governments and regulators in the countries in which we operate.

Investors
Our shareholders and debt providers play an important long-term part in our business. We maintain close and supportive relationships characterised by openness, transparency and mutual understanding.

HEALTH AND SAFETY

The health and safety of our people, communities and stakeholders remains our top priority. To this end, we continuously look for ways to improve our performance. In line with this commitment, we actively promote Vision Zero – our ambition to eliminate fatalities and lost-time injuries from our business.

Overview

Lost-Time Injury Frequency Rate (LTIFR)*

2021: 0.14

2020: 0.47

Total Recordable Case Frequency Rate (TRCFR)*

2021: 0.82

2020: 0.88

Work-related employee and directly supervised contractor fatalities

2021: 0

2020: 0

Highlights

- Aiming for zero harm
- Continuing to strengthen the health and safety culture across Puma Energy
- Improving key health and safety measures

Living up to world-class standards

Strong health and safety performance is fundamental to our successful, responsible operations and our sustainable, profitable growth. To this end, we set and live up to world- class health, safety, security and environment (HSSE) standards throughout Puma Energy.

Every colleague is bound by our HSSE policies and we expect our business partners, suppliers and contractors to implement them along the value chain.

Pursuing our vision of zero harm

Vision Zero means collectively striving for zero harm to colleagues, contractors and communities; business partners and our customers; property and the environment. Our Vision Zero goal guides everything we do.

Through Vision Zero we are changing our safety culture and encouraging personal accountability for safety behaviours. Setting the tone at the top, our leadership team led the charge throughout the year by making safety our top priority in all that we do.

Responding quickly and effectively to COVID-19

The COVID-19 pandemic continued through 2021. With the global vaccine roll-out, we have experienced some easing in the infection rates. Our forward business continuity planning has allowed us to respond well to the pandemic and to improve our ability to manage future risks. We continue to maintain strict measures at all of our sites and facilities.

We worked hard throughout the year to ensure that all the appropriate mitigating steps were taken to support and protect our customers and colleagues through COVID-19.

Making health and safety part of our everyday culture

Our HSSE strategy continues to focus on making health and safety an active part of everyone's day-to-day culture in Puma Energy. This applies to our employees, to any contractors working with us and to everyone who visits and lives or works near our sites. We extend our commitment further into communities, for example, through our long-running road safety campaigns.

> Safety is No.1 for us. We made significant progress this year and aim to become the best in the industry in terms of safety standards.
>
> **Hadi Hallouche**
> Chief Executive

For a number of years, we have been consolidating our HSSE processes and reporting culture. We encourage our people to report all HSSE incidents, to embed safety in people's day-to-day activities as a bedrock of our work.

At the same time, we have improved the reliability and accuracy of our information, to learn from that data and share those insights across the organisation. This creates a virtuous circle of learning, using, and learning again, to keep on improving.

Focusing on the right metrics

We maintain a deep focus on key metrics. With greater granularity and clarity, we can be far more rigorous and precise in analysing HSSE data, targeting improvements and assessing their impact.

Moving beyond just looking at lagging indicators, we have deliberately improved our monitoring and reporting of leading indicators such as near-misses and non-conformances. These provide valuable free lessons to help us prevent more serious incidents. Embedding a culture of reporting incidents, near misses and non-compliance is fundamental. It helps prevent major incidents, and provides quicker, richer information to guide improvements. This allows us to catch the small issues before they manifest as big incidents. Through the year, teams have taken a more disciplined approach to these leading indicators – both in capturing all the issues, closing them out on time and sharing the learnings.

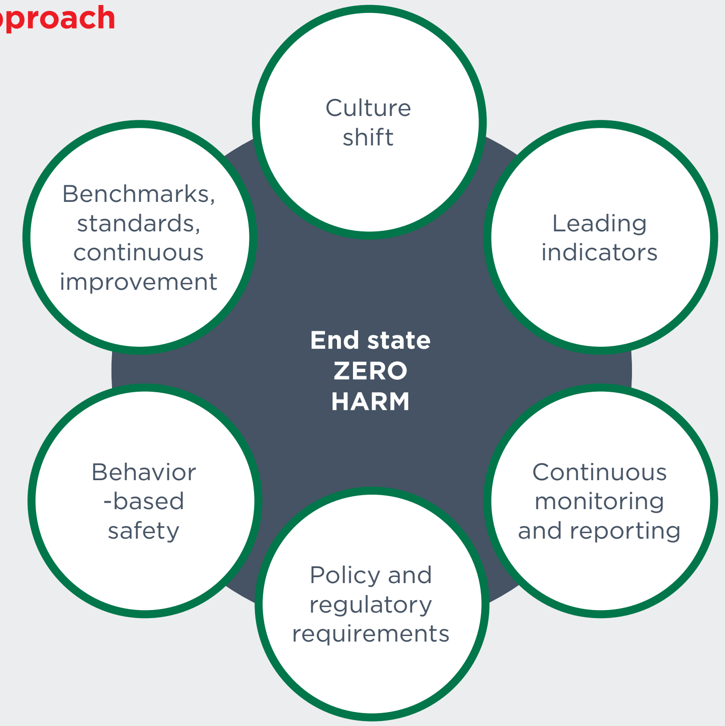
Achieving significant improvements

We track standard industry KPIs, such as the Lost-Time Injury Frequency Rate (LTIFR), the Total Recordable Case Frequency Rate (TRCFR) and fatalities, and empower our teams across the countries to continuously make safety improvements.

We achieved a significant reduction in our LTIFR from 0.47 to 0.14. This represents a 70% improvement in performance year-on-year, building on the more than 30% improvement in performance in 2020.

We also improved our TRCFR, from 0.88 in 2020 to 0.82 in 2021.

Our holistic approach to Vision Zero



HEALTH AND SAFETY *CONTINUED*

Enhancing safety across our retail network
We have put in place the same HSSE foundation across our whole retail network, including dealer-owned and operated sites. The aim is to have consistent, measurable and auditable HSSE metrics, in order to manage our HSSE performance across our network and establish action plans to improve quickly and effectively.

Through 2021, we continued to roll out the SAPS for Retail safety management system across our retail network, engaging with teams and providing ongoing training to all our sites, including dealers.

Ensuring consistency across our business
Our leadership commitment to safety has driven consistency across our business. Setting the tone at the top and prioritising safety has been paramount to our positive safety culture.

Continuing to prioritise road safety
We continue to prioritise road safety, with a particular emphasis through the year on third-party transporters. In 2021, we set a stretch road safety target of 0.04 severe accidents per million kilometres driven and achieved zero incidents, compared to 0.06 in 2020 for our own fleet.

We continue to apply smart technology solutions to help improve road safety. For example, all Puma Energy colleagues who drive light vehicles are encouraged to install the Woocar app on their smartphones to monitor their driving performance.

All our hauliers are expected to have in-vehicle monitoring systems installed. Puma Energy started the roll-out of Mix Telematics to track vehicles in real time.

Our long-running Be Puma Safe campaign is designed to raise awareness about road safety and help influence and change behaviours. This campaign takes the message out beyond our operations to the communities we live and work in, for example by carrying out road safety awareness raising in local schools.

We have focused on improving the reporting culture, increasing the level of detail, knowing more and more country by country where things are happening and having country targets. So we can see, for example, that we are improving in terms of truck accidents.

> Through our Vision Zero, we focus on making each day free from incidents, where our people, customers and contractors go home safely to their families and communities.

We continued Be Truck Safe, our major truck safety campaign targeting drivers. It includes targeted workshops and online training and builds on the golden rules of our Be Puma Safe campaign – focusing the rules specifically on truck drivers. We know how important it is to emphasise safety to all our contractors, and are pleased to say that some of our hauliers are using Be Truck Safe for their own training.

Supporting the wellbeing of our employees
We support the wellbeing of our employees. For example, we have taken the lead in rolling out COVID-19 vaccines to our employees across many of our countries and sites. We also provide support on mental wellness, with a number of initiatives.

Looking ahead
In the next few years, we will continue to embed a strong health and safety culture throughout Puma Energy. Leading from the top and encouraging a step change in behaviours among everyone across the business.

This year, we are proud to say that we are now in the pack with our peers in terms of safety. Our aim is to keep improving so we can be best-in-class – leading the industry and living our Vision Zero.

ENVIRONMENT

We are committed to running our business in the most environmentally friendly way, and we aim to improve on this year after year.

Overview
Carbon emissions
Scope 1*
2021: 209,574 MT of CO_2e
2020: 219,288 MT of CO_2e

Scope 2*
2021: 38,673 MT of CO_2e
2020: 36,413 MT of CO_2e

Scope 3*
2021: 393,559 MT of CO_2e
2020: 358,346 MT of CO_2e

Highlights
- Enhancing our environmental performance
- Investing in renewable energy solutions for our business and communities
- Increasing the breadth and depth of our environmental data

> Managing our environmental impact rigorously is a key part of meeting our obligations, maintaining our licence to operate and positioning ourselves for a sustainable future.

Rolling out our updated environmental policy
We have rolled out our updated environmental policy for the Group. It uses ISO 14001 and helps us to understand our environmental risks in every aspect of our business and facilities, so we can implement mitigations to manage those risks across greenhouse gas emissions, water, land, biodiversity and waste. This is part of our ongoing commitment to ensure we have a disciplined and proactive approach to managing our environmental impacts.

Managing our environmental performance
We continued to roll out our Puma Environmental Management System (PEMS) through 2021. It enables us to consistently review, evaluate and improve our environmental performance in areas of our business where we do not already conform to ISO 14001 standards. Through PEMS we follow a rigorous, risk-based approach in managing environmental risks.

Using PEMS, we aim to:

- Increase compliance with environmental legislation
- Reduce negative environmental impact by controlling environmental aspects
- Increase the competitiveness of Puma Energy
- Leverage better environmental management of processes, activities and functions
- Reduce costs of negative environmental impacts through continual improvements attained through the ISO 14001 EMS Framework
- Where appropriate, gain ISO 14001 certification

*Figures for 2021 have been re-stated to align Puma Energy's GHG accounting methodology with that of out parent company, Trafigura, and to account to changes to Puma Energy's business. In particular this includes accounting for emissions from chartered vessels under Scope 3 rather than Scope 1 and the addition of well to tank emissions to all scope 1,2 and 3 emissions. Puma Energy business in Ivory Coast, Angola and Pakistan were divested during 2021 and therefore not included to 2021 accounting and removed from the 2020 base to allow for comparison. Changes in the perimeter of Puma Energy's business in Australia were also accounted for in the re-baslining.

ENVIRONMENT
CONTINUED

Gathering data on greenhouse gas emissions
In 2021, we continued to gather full data for our Scope 1 and Scope 2 greenhouse gas (GHG) emissions for each country. This includes specific data for all facilities, buildings, cars – everything that could create a GHG emission. As a result, we have consistent, detailed data on the greenhouse emissions we are generating as a company, which we report on quarterly. This provides the foundation for KPIs and improvement actions going forward.

We continued to work on gathering data for our most significant Scope 3 emissions.

Reducing carbon emissions
Our improved country-by-country quarterly reporting provides greater granularity of information so we can look for better ways to reduce our greenhouse gas emissions.

Our combined scope 1 and 2 greenhouse gas emissions reduced by 2.9% between 2020 and 2021, re-baselined to take account of divestments and other changes to the business.

We deploy a number of strategies to reduce our carbon footprint. We locate storage tanks close to where fuel is needed to reduce the emissions caused by vehicles travelling long distances. For retail customers, fuels such as our Pumamax Diesel and Pumamax Premium Unleaded offer superior economy, emit lower levels of exhaust hydrocarbons and carbon monoxide and help maintain excellent operational performance.

We continue to focus on our own operations to reduce our Scope 1 and 2 emissions. We also closely monitor Scope 3 value chain emissions to inform future strategies with third parties.

Minimising our use of energy
In November 2021, we launched our Greenzone initiative, a campaign designed to encourage colleagues across Puma Energy to be more energy efficient by adopting simple steps such as switching off appliances, driving more efficiently and printing less. The Greenzone initiative also encouraged employees to submit their ideas for reducing energy consumption or procuring more energy efficient services. By doing so Puma Energy can make its own contribution to Trafigura's group-wide plans to reduce its energy consumption.

Reducing spills
In line with international standards, we monitor spills above 160 litres. In 2021, our spills remained the same as in 2020 following our 27% reduction that year. As part of our HSSE-wide commitment to gain more granularity on our performance, we separately identify the spills related to road traffic and site spills. By clearly identifying measurable site spills, we can tackle any operational issues associated with the spills, preventing any major incidents and improving our operational performance.

Managing water and waste responsibly
We seek to manage water and waste responsibly throughout Puma Energy. To this end we monitor and gather data on water and waste and are planning to report figures on these issues in 2022.

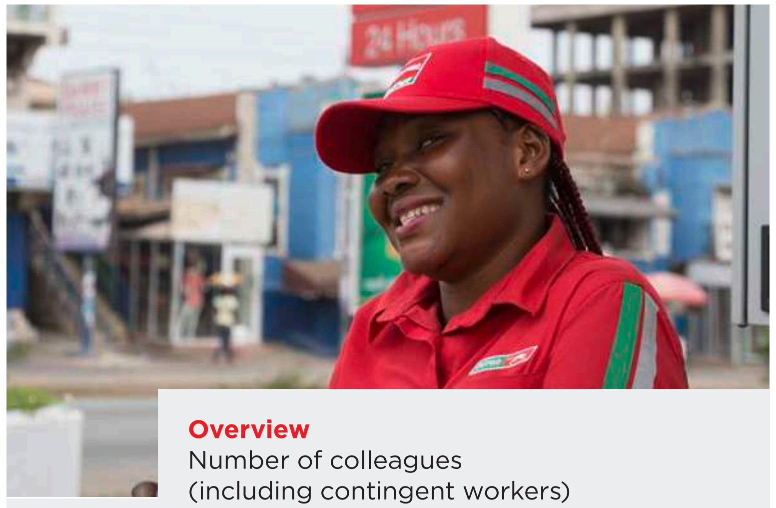
Generating renewable energy
We continued to invest in solar installations across our sites through the year, including retail sites, terminals, refineries and aviation depots. This enables us to improve energy efficiency while reducing environmental impact and costs. To date, we have installed solar power operating at 37 sites with a total capacity of 1,302kWp in six countries, Puerto Rico, Ghana, Namibia, Papua New Guinea, Nicaragua and Honduras. Investment continues and we aim to have solar power generation at 251 assets, with a total capacity of 9,232kWp, by the end of 2022.

We are focusing our expertise and investment on creating sustainable and profitable energy solutions for our own business and for our customers and communities. The high-potential markets we operate in are growing fast but have not as yet benefited in any great measure from affordable, reliable, sustainable energy. We aim to change this for the better by playing a leading role in the transition across these markets to cleaner, greener energy.

Looking ahead
In 2022, we will continue to focus on minimising our environmental impact. And we will work closely with our customers and communities to help them progress in making the best use of sustainable energy solutions.

OUR PEOPLE

Our people are key to the growth and success of Puma Energy. This has been a year of moving beyond the pandemic and enabling our people to get the business operationally and commercially on track, in line with our growth strategy.



Overview
Number of colleagues (including contingent workers)

2021: 4,781

2020: 7,155

Investment in training (US$M)

2021: US$ 1.3M

2020: US$ 1.43M

Highlights
- Focusing on high performance
- Developing and supporting our people
- 79,000 hours invested in learning and development

> We actively promote a culture where dynamic, clear, direct, high-pace decision-taking and ways of working are encouraged and rewarded.

Working closely together
It was a year of close collaboration, both across the business and with Trafigura, as we managed a period of transition followed by an emphasis on simplifying, sharpening and streamlining Puma Energy, led by the new management team. All the while, we continued to deliver for the business and our customers.

Focusing on high-performance
The focus is firmly on creating a high-performance culture and way of working. This has included attracting highly talented senior leaders who will be key in developing high-performing teams across the business. Our people have a clear focus on execution to optimise our assets in the short to medium term in order to strengthen the business and create a solid platform for future growth.

Delivering our plan
Strong aligned business partnering across our country management, commercial and functional leadership teams remains at the heart of our HR operating model, supported by commercially aligned centres of expertise. Our learning and development programmes focus on enabling us to operate safely, legally and commercially. Recruitment and rewards focus on attracting and retaining top talent with median base salary packages and generous discretionary financial recognition for high performers.

Engaging with our people
We engage with our people locally and dynamically, with a strong emphasis on everyone being open, transparent, clear and direct. We encourage people to ask questions and make suggestions, to contribute to the conversation and, most importantly, to ask for help when required to support them in delivering their plans.

OUR PEOPLE *CONTINUED*

To this end in 2021 we developed a suite of succinct but regular communications tools to engage with employees more effectively. We ask employees to submit questions and provide feedback to ensure two-way engagement and relevance.

- Take two minutes – a bi-weekly written communications with short updates on events and developments across the business.
- Ten-minute REAL Talk – a quarterly online question and answer session with a member of the senior leadership team.
- 30-minute Q&A – short, dynamic sessions where we hear from people at all levels across the organisation to get bite-sized business updates.
- Bespoke communication – updates delivered electronically or when possible through face to face meetings to communicate policy change, senior appointments and business changes.

Supporting wellbeing

We are committed to the wellbeing of all our people, not least because this is a key foundation for high performance. To this end, we have a number of Company-wide wellbeing initiatives. These include the development of central guidelines to manage one on one conversations between managers and employees, the development of ergonomic guidelines to create a healthy routine when working from home and the office and the creation of webinars and videos to promote wellbeing.

79K HOURS

Invested in learning and development

US$ 1.3M

Invested in learning and development

Introducing a work-from-home policy

In 2021, we introduced a policy giving our people the flexibility to work from home for two days a month. This further enhances our approach to business continuity planning (BCP) while also aligning with our high-performance collaborative culture.

We recognise that for the business to remain successful it is important for everyone to have personal contact and communication, which is why we emphasise the value of working from the office and how this helps further develop high-performing teams.

Learning and development

During 2021, we focused on the continuous development of our people to ensure the delivery of our business results, in line with the skills requirements to achieve our targets.

Courses in the Commercial Academy included Territory Management – Excellence in Execution for the retail community and Supply Trader Academy for our supply managers.

We developed programmes to respond to skills gaps identified after a thorough skills assessment conducted for employee groups. To ensure we provided fit-for-purpose learning in a cost-efficient way, many of these learning solutions were internally developed and delivered virtually.

We implemented new digital libraries to scale up leadership, management and general business skills across the organisation. We also held specialised virtual learning pop up and leadership series events. Our 78% adoption rate of some of these libraries is among the highest in the industry.

We also maintained our focus on building licence-to-operate skills such as HSSE, compliance and information technology through our digital learning platform.

Encouraging and rewarding high performance

We are committed to encouraging and rewarding high performance. For 2021, we made discretionary bonus payments in order to reward the Company's high performers in a challenging year.

Hiring the best talent

We have realigned our internal search capability and have focused on sourcing candidates with the skills to deliver our targets in the short and medium term. We are attracting candidates that want to be part of a high-performance organisation and have the confidence that their individual contributions will be rewarded.

In 2021 we hired 360 people, compared to 371 in 2020, a reduction of 3%.

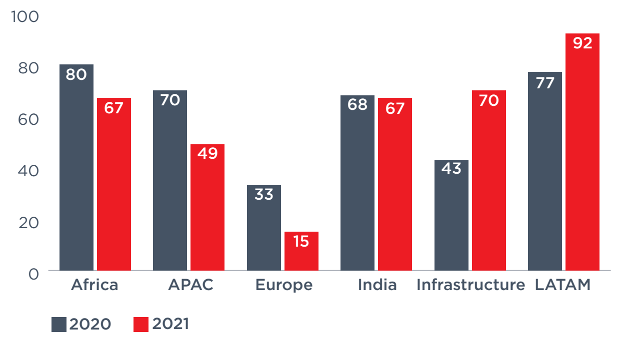
Key numbers for our people

Overall, the number of people working for Puma Energy including contingency workers stands at 4,781, of that 3,676 are directly employed.

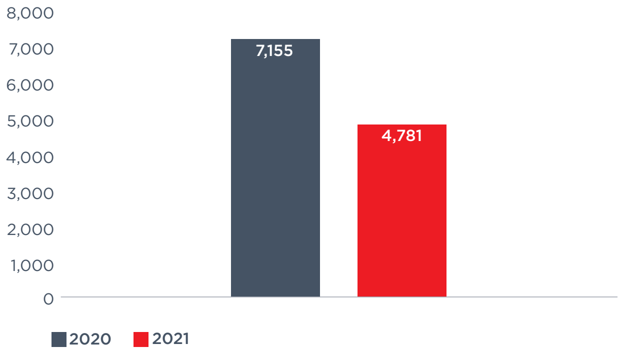
The reduction from 7,155 employees in 2020 to 4,781 in 2021 was mainly driven by divestment of our businesses in Angola, Pakistan and Ivory Coast.

The ratio of industrial to office workers remains relatively unchanged.

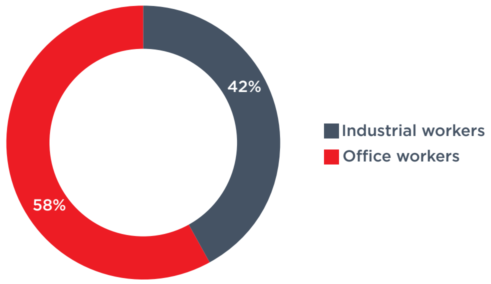
New Hires per Region 20/21



Total headcount



Total headcount 2021



OUR PEOPLE
CONTINUED

Promoting inclusion and diversity

We see inclusion and diversity as a true source of positive progress and performance differentiation and a key part of our commitment to Environment, Social and Governance (ESG) matters. Our vision is to create conditions to empower our people from different backgrounds to connect, grow and belong. We want to attract and retain the best diverse talent to work together to innovate, create competitive advantage through diverse thinking so we energise our communities.

Given our footprint in high-potential countries around the world, we have a naturally diverse workforce in terms of race, ethnicity and nationality.

There are 92 people in the senior leadership team (SLT). This includes 76 male colleagues, and 16 female colleagues, a 6% decrease compared to 2020.

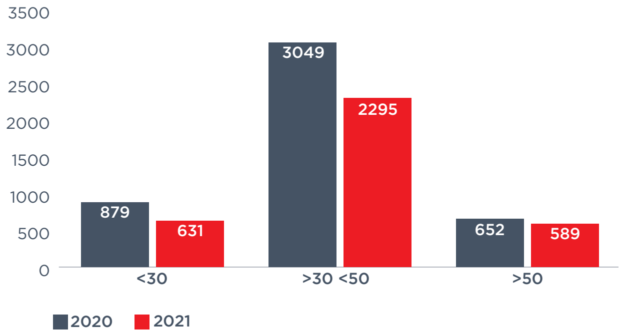
Aligning and working with unions

Around 19% of the total workforce is affiliated with a union. All of our employees have the freedom to associate with a union, including affiliations with a formal union body and also internal ‘Employee Forums’ created where the local norms and collective spirit of any particular audience has such a preference.

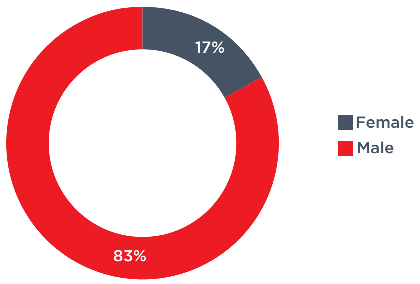
Through 2021, we have emphasised the development of industrial relations by creating our first-ever global employee relations/industrial relations management role, tasked with optimising and developing union relations across the organisation.

It is early days, but this has already yielded strong results in conducting a range of wage negotiations amicably. The drive for the coming year will be on developing relevant industrial relations policies as well as moving union engagement to a more regular and proactive level.

Headcount by age group 2020/2021



Gender diversity for SLT – 2021



Respecting human rights

We operate with a culture of respect for human rights not just because it is the law, but because it is the right thing to do. As part of our Environmental, Social and Governance (ESG) commitments, we are shaping our new policy approach to human rights, including modern slavery, anti-discrimination and anti-bullying.

Updating our business travel policy

In the year, we updated the global business travel policy to align with Trafigura’s policy. It now includes a policy on entertainment and gifts. It is monitored by the cost analytics team in Mumbai who also manage the deployment of our global business travel tool (CWT) in all countries where we operate.

Looking ahead

Looking ahead, our immediate priorities are to support and deliver a successful and seamless integration with our new ownership structure and to realise the many benefits that this transition brings.

We will be working to ensure the organisation has the right high-performance capability to deliver our ambitious growth plans.

COMMUNITIES

We are committed to promoting the social and economic development of all the communities in which we operate. This commitment is central to our purpose of energising communities – reflecting our longstanding presence and contributions to the many different countries around the world we call home.

We are determined to make the most of the unique opportunity we have to make a difference at nearly around 2,000 sites across 41 emerging markets around the world. Achieving a positive economic, social and environmental impact is key to delivering long-term value creation.

Playing a key role in local prosperity
In the countries where we operate our business plays a key role in enhancing local prosperity. We create jobs and opportunities for local people and businesses – from our customers to our suppliers to our employees. For example, over 90% of our employees are recruited in the countries where they work.

Our retail sites provide essential services for local communities, from safe, welcoming fuel stops to attractive stores in which to buy basics or enjoy a meal. Our commitment to undisrupted fuel supply means local businesses can keep operating successfully and contribute to local prosperity.

Supporting communities
Beyond our business activities, we have two core routes to supporting the communities we live and work in.

First, we invest directly in our communities. We know that local managers in each of our markets know their communities best. This investment is guided by our Social Investment Policy but particular projects are selected locally. Every market we operate in has a dedicated budget and our local managers decide which projects will have most impact in their communities.

Second, we support the Puma Energy Foundation, which is independent of the company and provides funding and expertise to trustworthy organisations that deliver long-term programmes around the world. In partnership with the Foundation, our colleagues also provide support for communities through fundraising and volunteering for various charities and programmes.

Prioritising community investments
Community investment is not always about charity, it is also an investment in future success. We align our long-term community investments with the issues where we can have the greatest reach and deepest impact. Our Community Social Investment Policy guides how we contribute to society and communities.

It is based upon five pillars that align with the needs of the communities we operate in and our business priorities:

- Road safety awareness
- Environment and conservation
- Education
- Licence-to-trade initiatives
- Emergency first response

Enhancing road safety awareness
Road safety is a priority for Puma Energy because our business depends on the safe, timely delivery of products to our network and we want all our customers to travel safely. It is also important because poor road safety is a particular issue in many of the countries we operate in and it is an area where our expertise can make a real impact.

In 2021, we continued to prioritise road safety through our Be Puma Safe Campaign. One of the key strands of this initiative is our work in schools where we are invited in to raise the road safety of awareness of pupils and students. Our Be Safe campaign highlights eight key risks, including fatigue, seat belt use and speed with resources rolled out across each country we operate in.

One of the many initiatives we ran in 2021 coincided with the United Nations Global 6th Annual Road Safety week, when our team in Tanzania launched a campaign on speed awareness. Local children joined the Puma Energy team as Road Safety Ambassadors to speak to drivers at our services sites about the themes of ‘Streets for Life’ and ‘Love 30kmph’ as they refuelled. Customers visiting the sites benefited from educational materials and special gifts.

Focusing on the environment and conservation
Our responsible approach to providing reliable, affordable energy solutions around the world is matched by a responsible approach to the environment and conservation at a local level.

One example of this commitment in action is Puma Energy Puerto Rico’s support of the Corredor del Yaguazo community organisation since 2016. This organisation co-manages the Cienaga de las Cucharillas Reserve, the largest urban wetland in Puerto Rico. Corredor del Yaguazo’s mission is to preserve these natural spaces through environmental education, research, training and restoration and reforestation projects. We are delighted to partner with them to support the conservation of the wetland and the sustainable development of this community in the Cataño area.

In 2021, our operators, employees and the community came together to raise awareness and plant 200 trees donated by the Corredor del Yaguazo at our retail sites and in communities.

> We are determined to make the most of the unique opportunity we have to make a difference.

Investing in education
As well as our employee training designed to meet the needs of our business, we invest in educational programmes such school-based programmes, training, internships and apprenticeships. The focus is on skills which are relevant to Puma Energy’s activities or acute educational needs in particular communities.

In July 2021 for example, Puma Energy Papua New Guinea renewed its sponsorship contract with Bukl bilong Pikinini (BbP) to advance its mission to increase literacy rates in local communities. We will supply fuel and lubricants for BbP to distribute books to children’s libraries around Papua New Guinea.

Going beyond legal requirements
Local priorities may be driven by legal requirements. Supporting projects that support socio-economic development, as defined by country requirements or business specific needs, is vital to business continuity. For example, in South Africa, we are supporting Black Economic Empowerment initiatives.

Beyond legal requirements, we also run initiatives which contribute to civic life. Our company-wide celebration of Mandela Day in July 2021 saw colleagues around the world engage in a wide variety of activities to support local communities, including food distribution, fundraising and blood donation.

Helping communities cope with COVID-19
COVID-19 continued to be a challenge 2021 and throughout the year we undertook many different initiatives to support communities large and small. These included donating fuel to the emergency services in different markets, supporting communities in lockdown with food donations, donating medical supplies and donating coffees for emergency first responders.

GROUP OVERVIEW
PERFORMANCE REVIEW
GOVERNANCE
FINANCIAL STATEMENTS

COMMUNITIES
CONTINUED

Key figures 2021

US$ 1M
Annual Budget

10
programmes

15
countries of presence

PUMA ENERGY FOUNDATION

The Puma Energy Foundation works to make a lasting positive change in countries where Puma Energy is present. It provides funding and expertise to trustworthy organisations that deliver tangible results and implement impactful programmes in two areas.

The first is a focus on 'Fair and Sustainable Employment' that promotes quality jobs and income-generating opportunities for vulnerable groups. The second area of action is 'Clean and Safe Logistics', which supports programmes that mitigate the social and environmental issues related to transport. Under this area, the Foundation also supports organisations that promote road safety and ensure last-mile delivery and services for marginalised communities.

Finally and importantly, the Foundation creates strong links and serves the causes that are close to the heart of Puma Energy people. To help encourage, channel and support programmes chosen by Puma Energy employees, the Foundation matches the fundraising efforts of staff and facilitates the organisation of local volunteering actions.

Partnering with World Bicycle Relief in Zambia
The Foundation is partnering with World Bicycle Relief (WBR), a global organisation specialising in rural mobility and transport, to provide bicycles specifically designed to meet the needs of low-income populations in rugged terrain.

The collaboration focuses on the Mumbwa district in the Central Province of Zambia, where 77% of the local population lives in poverty. WBR will apply its 'Mobilised Communities' approach in Mumbwa and implement a holistic plan to improve the livelihoods of around 2,900 people through the distribution and maintenance of 720 bicycles over three years (2021-2023).

Based on 15 years of programme learnings and participant feedback, the Mobilised Communities approach has demonstrated the high impact of bicycles in improving people's access to healthcare, education, and income-generation opportunities.

Our community investment in numbers
As well as the support provided by the Puma Energy Foundation, Puma Energy businesses also supported local initiatives in the communities they operate in:

US$ 133,000
Latin America

US$ 102,000
Africa

US$ 116,000
APAC

Looking ahead
We continue to remain deeply committed to the many different local communities we live and work in across the world's emerging markets. From enhancing education to improving road safety – there are many opportunities to make a difference. Looking ahead, we will maintain our focus on increasing prosperity and having a long-term positive impact.

OPERATING RESPONSIBLY

We are committed to operating responsibly throughout Puma Energy – working together to the highest standards.

Working together responsibly
We want to ensure that everyone in Puma Energy acts responsibly, from complying with all laws and regulations to staying true to our core purpose of energising communities and our four core values of customer focus, lead by example, collaboration, and agility.

Our culture is built on our values and our values shape the way we behave. They guide and inform our principles, policies and processes.

Acting responsibly is not simply about making sure we do not do the wrong things. It is about being front-footed in doing the right things, so we take the lead in bringing positive change.

Leading from the top
Operating in an ethical and transparent way is led from the top. We cultivate an inclusive culture where we all work closely together and are encouraged to speak up and constructively to challenge each other.

Our approach
We have a consistent and rigorous approach to enable us to deliver a high level of performance responsibly. It includes eight pillars that we focus on adding to and improving, year after year

Programme structure, design and oversight
We monitor our programmes and look for ways to strengthen them so we can keep improving. For example, as part of our Code of Business Conduct we have a gifts and entertainments policy. In 2021, we rolled out an online gifts and entertainments register which will help us improve the way we monitor gift-giving across the business, identify any issues and quickly tackle them.

Policies and procedures
Our comprehensive Code of Business Conduct outlines the common principles and standards expected of those who work for and with Puma Energy.

It is through our Code that we set out what it means to be part of the Puma Energy family, what our values are, how we expect people to behave. It helps all of us work consistently, to the same high standards.

The Code has been produced in English, French, Spanish, Portuguese and Burmese, and is available to download from the Puma Energy intranet and our corporate website.

We have also made our Supplier Code of Conduct available on our corporate website.

In 2021, we carried out a number of policy reviews to ensure we stay our up to date and mitigate risks appropriately. This included focusing on modern slavery. We introduced a Group-wide Modern Slavery Policy and updated our modern slavery statement for the UK and Australia.

We also updated our Anti-Money Laundering Policy and our Anti-Trust Policy.

Training and communication
In 2021, we rolled out company-wide training for our Code of Business Conduct. All employees with online access were trained. In 2022, we will extend this training to industrial, technical and operational employees.

We also launched a Code of Conduct certification programme towards the end of the year. This enables all our employees to certify that they have read the Code, have complied with it and are not aware of any breach that hasn't been reported.

At the same time, we rolled out our annual conflicts of interest certification to all employees online. This gives everyone a clear and easy way to declare any conflicts of interest, enhances oversight and enables us to manage and mitigate conflicts effectively.

We also began modern slavery training for the functions across the Group, which are most likely to encounter modern slavery such as procurement.

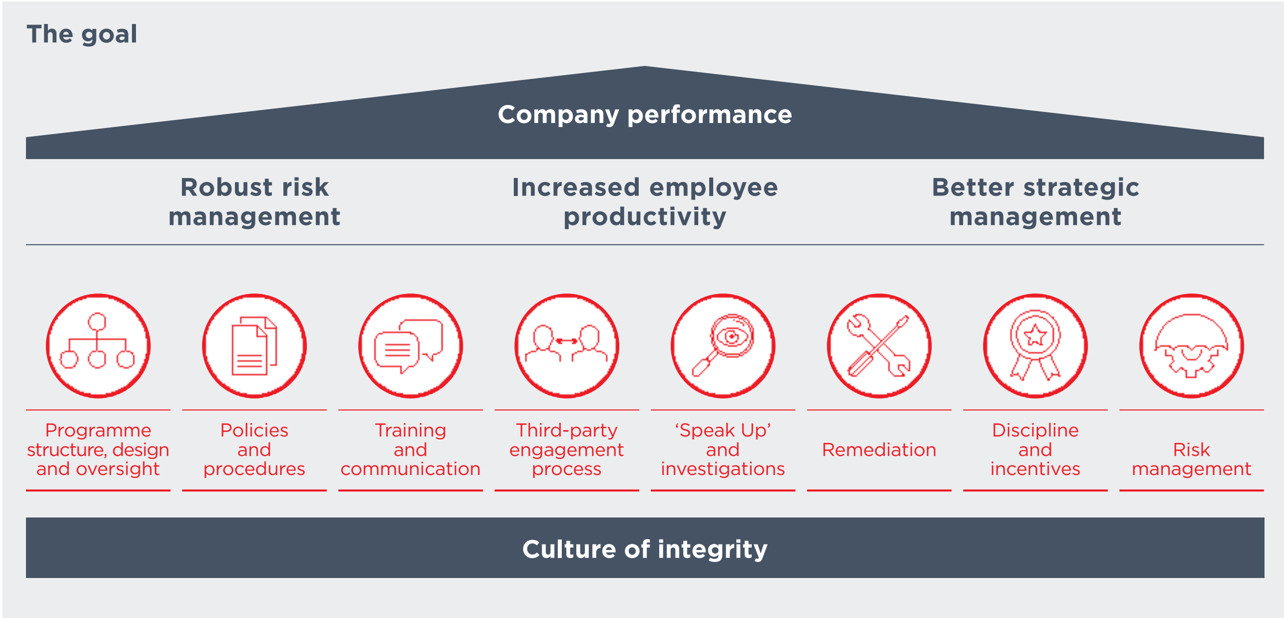
In addition, we carried out training on anti-bribery and corruption and on anti-money laundering.

Third-party engagement
We have a robust, global risk-based Know Your Counterparty (KYC) process and platform, and a dedicated KYC team. In 2021, we tightened controls by automating the link between the KYC system and our enterprise resource planning (ERP) system. This means that across Puma Energy, we only do business with third parties that have been vetted through the KYC system.

> Operating responsibly is essentially about continuously improving the way we do things to deliver a lasting positive impact for our stakeholders.

2,814

Number of employees invited to complete Code of Conduct Certifications



OPERATING RESPONSIBLY *CONTINUED*

Speak Up and investigations
We focused through the year on encouraging everyone in Puma Energy to Speak Up. This includes training on the policy, so people are clear on what they are expected to speak up about, how to do it, as well being assured that we will not tolerate any retaliation. Our Speak Up! line gives everyone, both internally and externally, a way to raise concerns about ethics, compliance and the requirements of our Code, online or over the phone – 24/7, 365 days a year. It is available on our corporate website.

Remediation
In 2021, we worked to streamline our investigation process, creating an approach with more structure. We developed and agreed an investigation protocol with all stakeholders and rolled it out across the organisation.

Compliance risk management
In 2021 we developed an implementation plan for the compliance risk assessment which was conducted in 2020. This enables us to address compliance risks in critical areas. The plan covers five areas:

- Anti-bribery and corruption
- Anti-money laundering
- Modern slavery
- Data privacy
- Third-party engagement

We continue to make data privacy a priority. In South Africa, we ensured we aligned with the Protection Of Personal Information (POPIA) Act, introduced on 1 July 2021. Using our work on POPIA as a foundation, we will apply the learnings and processes across the entire organisation in 2022.

Looking ahead
We aim to make compliance part of Puma Energy's broad strategic focus on empowering the regions and country general managers. To help our people take ownership of compliance as part of performance, we are exploring creating a leadership compliance guide – a shared tool for all the managers.

In 2022, we also plan to circulate the Supplier Code of Conduct more extensively to third parties. Our aim is to make sure the Code is really embedded with suppliers so they have the same understanding and commitment as us.

To further encourage our responsible approach, we aim to introduce a formal way to recognise employees who have behaved responsibly. This is planned for 2022.

Building on our risk assessment, we plan to assess how well the controls we have put in place to mitigate risks are working out in the business, day-to-day, as part of our ongoing commitment to keep strengthening our responsible way of working.

FINANCIAL REVIEW

The recapitalisation of the company and resulting consolidation into Trafigura has established a strong financial footing for Puma Energy and has set the grounds for return to profitability and growth.

US$ 527M
Proceeds from the divestment of operations, assets and investments

US$ 99M
Impairments

US$ 185M
Cash flows from operations

Maintaining a stable supply of fuels in times of uncertainty
After the unprecedented pandemic related lockdowns during the previous year, 2021 was also characterised by volatility in demand for our products. The emergence of new variants of the COVID-19 virus have prompted renewed waves of restrictions impacting several countries throughout the regions where we operate. With tried-and-tested processes for safe operations we have continued to successfully respond to the variation in demand from our customers.

During 2021 we sold 17.8 million m3 of product to our customers which, overall, is equal to our volume of sales from the previous year. While overall performance was flat, we did have some business segments that manifested a strong rebound of demand when compared to the previous year. Our sales volumes to in our Aviation business have increased by 47% compared to the previous year and our Retail segment has posted a 14% volume increase on a comparable base. Our Bitumen business sales, on the other hand, have remained depressed as we have seen less trading opportunities especially in the US and Asia-Pacific with a 20% decrease in our volumes on a comparable base.

Our overall flat sales volumes coupled with the weakness in bitumen trading has lead to a decrease in gross profit as we have ended the year with a total of US$ 999 million or US$ 92 million lower than the previous year including also the US$ 82 million impact of the interim price adjustment received from shareholders in 2020. The remaining US$ 10 million reduction in gross profit versus the prior year is entirely driven by our weak bitumen trading sales and associated margins.

Recapitalisation, consolidation into Trafigura and deleveraging
2021 saw the recapitalisation of Puma Energy, strengthening our balance sheet through a US$ 500 million rights issue, implemented by way of a convertible instrument. The rights issue was approved by Puma Energy shareholders in April 2021 and was completed on 30 September 2021. As a result, Trafigura's shareholding in Puma Energy increased to approximately 72 per cent and Puma Energy was consolidated into Trafigura.

The recapitalisation process included also the sale of Puma Energy's Angolan business to Sonangol for US$ 600 million and the acquisition by Trafigura of Sonangol's shares in Puma Energy for a similar amount. The transaction was completed on the 16 December 2021 following receipt of all relevant regulatory approvals. As a result of this transaction, Trafigura's shareholding in Puma Energy has further increased to 93.3 per cent.

On 27 December 2021, Cochan Holdings LLC ceased to be a shareholder in Puma Energy Holdings Pte Ltd and as a result Trafigura held 96.6% of the shares in Puma Energy as at the end of 2021.

FINANCIAL REVIEW
CONTINUED

The recapitalisation of the company allowed a significant reduction of our debt with current and non-current interest-bearing loans and borrowings on our balance sheet decreasing by US$ 767 million from US$ 3,116 million at the end of 2020 to US$ 2,349 million at the end of 2021. In consequence the financial leverage of the company also decreased significantly as reflected by our net debt to EBITDA ratio at 1.1x at the end of 2021 compared to 2.5x at the end of 2020 (with metrics excluding the impact of IFRS16 as defined by our debt covenants).

The US$ 453 million of cash and cash equivalents on our balance sheet (2020: US$ 507 million) combined with the cash we expect to continue to generate from our operations should allow us to continue to comfortably amortise our outstanding debt and further reduce our financial leverage.

Simplifying our business

One of the three strategic objectives of our new management team is to simplify and reinvigorate our core business. This mandated the divestment of non-core assets and activities including in Angola, Pakistan, Congo DRC and our storage terminal in Ivory Coast. The total proceeds from the sale of assets and investments amounted to US$ 527 million.

The sale of our Angolan operations generated a significant accounting loss of US$ 1,021 million disclosed under other operating expenses. This accounting loss is related to the obligation to recycle through our statement of income the accumulated foreign currency translation losses on the divested business.

Further to the strategic objective of simplifying our business we have also announced our intention to seek investors for our Infrastructure business. In consequence the results of this business are recognised under discontinued operations on our statement of income and the related assets are disclosed under assets classified as held for sale on our balance sheet for a total amount of US$ 1,209 million out of our total assets of US$ 5,696 million (2020: US$ 5,784 million).

Impairment charges

The recent political developments in Myanmar have greatly reduced the demand for our products and services and also our ability to perform our business, hence triggering an impairment through the reduction of the estimated recoverable amount but also due to the increase in country risk and related Weighted Average Cost of Capital (WACC) applicable to this cash-generating unit. Impairment charges related to our business in Myanmar amounted to US$ 97 million out of the total impairment charges of US$ 99 million posted by the group in 2021 (2020: US$ 242 million).

Cash flow and capital discipline

Following several years of restricted capital expenditure, in 2021 we have increased our investments to a total of US$ 226 million (2020: US$ 143 million). Our Retail activities received a total of almost US$ 100 million as we have continued to focus our investments on upgrading existing retail sites as well as acquiring and building new ones.

We have continued to generate cash from operations despite the negative impact of US$ 310 million increase in working capital driven mainly by the increase in the underlying oil price throughout 2021. Cash flow from investing was also positive at US$ 303 million (2020: US$ 203 million) as the proceeds from our divestments continued to offset the amounts spent as capex. Cash flow from financing activities of US$ (613) million (2020: US$ (659) million) continues to reflect our efforts to repay our debt and deleverage our balance sheet.

US$ 767M

Reduction in interest-bearing loans and borrowings

1.1x

Leverage ratio (Net debt to EBITDA excluding IFRS16)

US$ 1,209M

Assets classified as held for sale

RISK MANAGEMENT

We align our risk management closely to our purpose, strategy and the world we live and work in. We see this a core part of being a dynamic and responsible high-growth business committed to energising communities.

We take a rigorous and robust approach to managing our risks, including ensuring that we not only have strong structures and processes in place but also a clear and up-to-date view of our current risk landscape.

Ensuring strong risk governance

Our risk governance structure is designed to ensure we continue to provide clear business ownership and oversight, helping us make the right decisions at the right time. Our Board is responsible for setting the risk appetite, entrusting the detailed oversight of risk management to the Finance, Audit & Risk Committee. This committee is ultimately responsible for overseeing the effectiveness of the risk management framework. Regional and Country Risk Champions provide support to leaders in embedding the risk management programme. They also provide risk advice, as well as coordinating, facilitating and periodically reviewing the risk management process.

Our Risk Management Framework enables us to deploy our mitigation strategy, helping us deliver financial targets, enhance our reputation, safeguard our employees and assets, and protect future financial security.

Governance and culture

Governance sets the Group's tone, reinforcing the importance of, and establishing oversight responsibilities for, our risk management. Culture describes our ethical values, desired behaviours and the understanding of risk in our business entities.

Strategy and objective-setting

We combine enterprise risk management, strategy and objective-setting during our strategic planning process. Our risk appetite is established and aligned with strategy; we put our strategy into practice through our business objectives, which serve as a basis for identifying, assessing, and responding to risk.

Performance

We need to identify and assess risks that may affect the achievement of our strategy and business objectives. Risks are prioritised by severity and we then select the appropriate risk responses. The results of this are reported to key risk stakeholders.

Review and revision

By reviewing the performance of our business entities, the Group can consider how well the risk management components are functioning over time, against a backdrop of what can be substantial changes, and assess what revisions are needed.

Information, communication and reporting

Risk management requires a continual process of obtaining and sharing necessary information, from both internal and external sources. This information flows up, down and across the organisation.

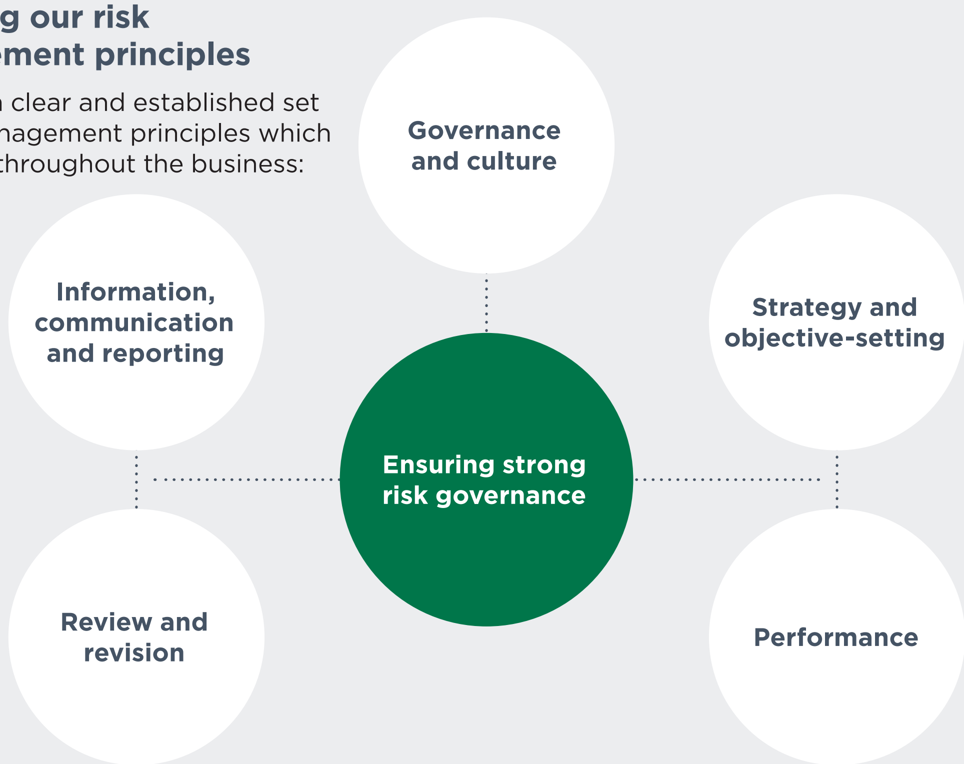
Rigorous and robust risk management

Our Risk Management Framework is structured around the classic three lines of defence endorsed by the Institute of Internal Auditors (IIA). The first line of defence involves operational management directly assessing, controlling and mitigating risks. The second line of defence is provided by compliance and enterprise risk management expertise and internal controls specialists with internal audit forming the third line of defence. The aim is to apply best practice to ensure we have the most robust and effective framework for managing our risks, as we grow and transform the business.

RISK MANAGEMENT
CONTINUED

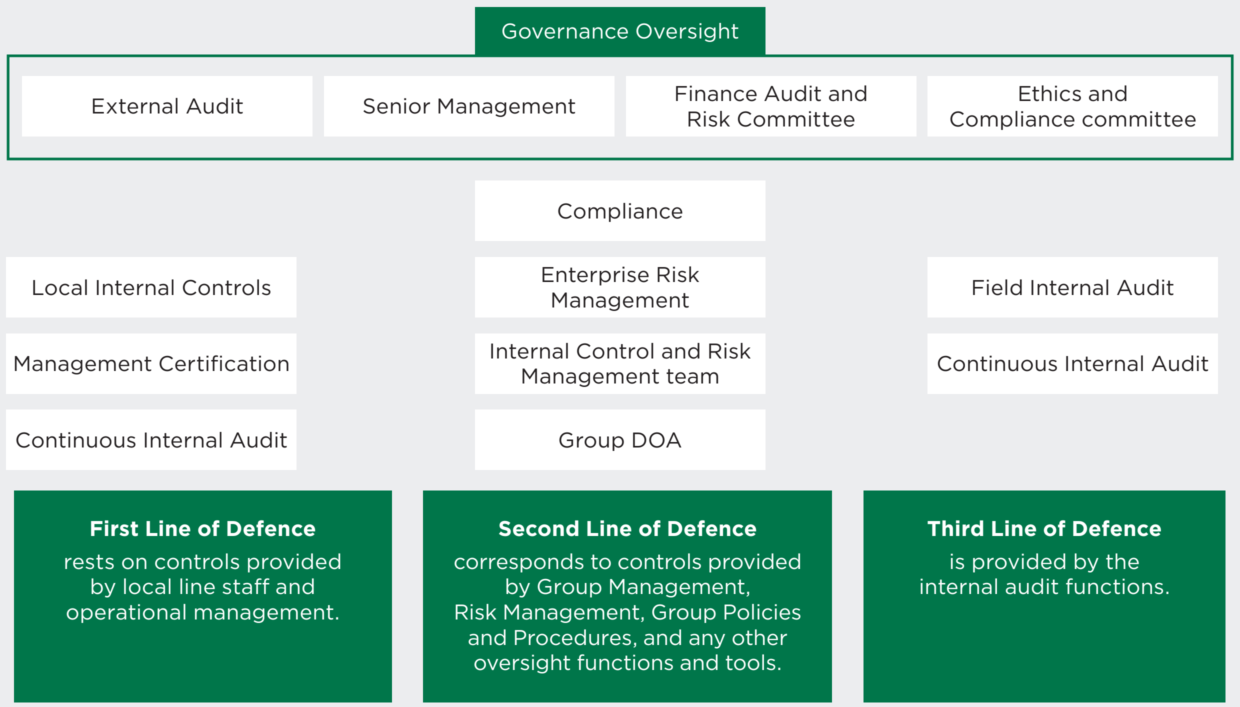
Applying our risk management principles

We have a clear and established set of risk management principles which we apply throughout the business:



Governance and the 'Three lines of defence'

Risk Management is a proactive process that is an integrated part of the Internal Control Environment Framework – 'Three Lines of Defence':



Actively monitoring our risks

We continued to monitor our risks rigorously through the year.

Identifying our key risks

To ensure we stay up-to-date with our risk landscape, we follow a Risk and Control Self-Assessment process that is managed at a business level and regularly reviewed and challenged by the risk team at least on an annual basis. This includes running a series of interviews with the Executive Committee, business leaders and stakeholders at country level in order to gain grassroots feedback and understanding of our risks. The outcomes of the 2021 review have enabled us to identify and prioritise our top six enterprise risks so we can focus on mitigating them effectively.

Local Management reduces risk directly wherever possible, for example through improved fire prevention and better personal protective equipment. For risks that cannot be fully prevented, they have mitigation plans in place, for example, currency hedging, property insurance, bank guarantees and disaster recovery planning. The maturity of our Risk Management enables us to report on the basis of Net Risk – i.e. risk ratings take into consideration the risk mitigation initiatives adopted in response to risks as they were initially identified and defined. The Group Risk Chart therefore reflects Net Risks for each category.

A number of key themes underpin our risk landscape, linking to six of our most material risks:

1. Counterparty risks:

Sales pricing

Sales pricing is of critical importance to our business performance. Indeed, inability to position pricing by segment correctly may result in lost market share and volume-margin imbalance. We ensure the risk is well under control by providing high standards of service, building the Puma Energy brand and introducing customer loyalty initiatives. We also ensure tight management on the supply side; together with cost control policies and procedures on local overheads, we lower the break-even point. We actively monitor our competitors and the market and have strategies in place to react to pricing fluctuations.

2. Economic/financial management risks:

Working capital management

Cash flow problems can bring our business to a halt (short term – local inability to pay debt) and curtail future investment plans (medium/long term – failure to comply with liquidity commitments made to investors). The risk also implies lost business owing to shortages, excess and obsolete inventories; reduced margins in case of price movements, excess third-party storage costs and demurrage. In order to mitigate the risk, we actively manage cash flows through accurate forecasting. We work with local banks to provide funding to cover working capital requirements, our investment plans and opportunities. We monitor the maturity dates of existing debt and aim to maintain a balance between continuity of funding and flexibility using overdrafts and bank loans. Our liquidity risk is mitigated as part of our borrowing activities are related to the financing of refined oil products – products which by their nature are readily convertible into cash. We have clear procedures relating to physical stock takes, stock reconciliations and daily controls covering all inventories. We have formal tendering and ordering processes, and distribution contracts where required.

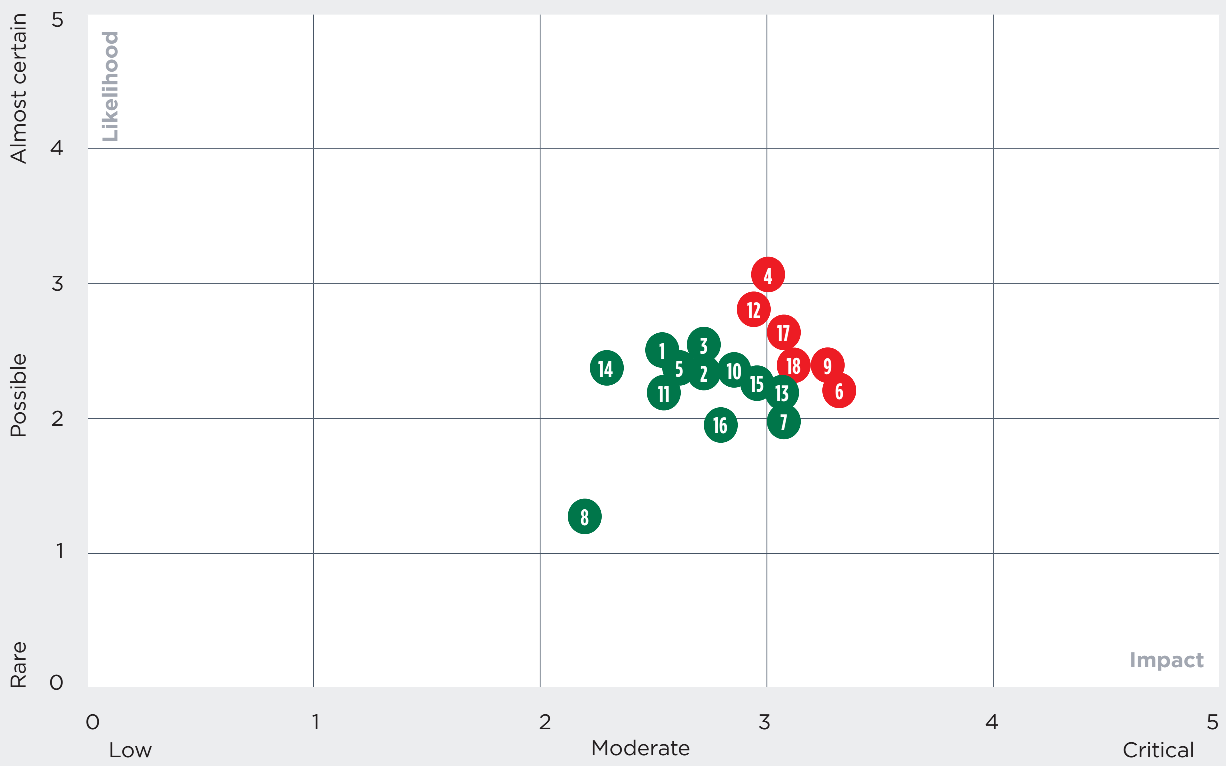
3. Operational risks:

Environment protection and remedies risks

We strive to operate in line with international best practice, including where this exceeds local expectations. We apply the same strict health, safety and environmental standards across our operations around the world – from manufacturing right through to distribution and delivery. We invest in modern equipment, and have well-defined IT security, business continuity and disaster recovery plans in place. We also use common ERP (Enterprise Resource Planning) and terminal management applications. We use a bespoke safety management system, SAPS (Systems, Application and Products), at all our terminals to monitor the frequency and severity of accidents and lost-time incidents. This helps us assess safety levels and identify potential risk factors. We are an active member of Oil Spill Response Ltd, an organisation that shares effective responses to oil spills worldwide.

RISK MANAGEMENT
CONTINUED

Puma Energy Group Risk Chart



Counterparty risks
1 Customer Credit Management
2 Business support
3 Currencies Exposure
4 Sales Pricing

Economic/financial risks
5 Supply of Oil and Fuels and Commodity Prices
6 Working Capital Management
7 Financial Reliability & Reporting

Operational risks
8 Digital infrastructure and cyber security
9 Environment Protection and Remedies
10 Physical Security, Health & Safety

Political, country and regulatory risk
11 Geopolitical, Authorities and Communities
12 Standards & Regulation, Legal and taxation risk
13 Ethics and Compliance

Strategic risks
14 People organisation and culture
15 Business Portfolio Management Risks
16 Reputation, Brand and Trademarks
17 Pandemics
18 Energy Transition

In terms of ISO accreditation, 52% of our terminals hold ISO 9001 certification and 45% hold ISO 14001 certification. In 2021, 84% of our operations were API 650/653-compliant. Furthermore, we continuously promote Puma Energy's Safety Management System to improve industrial safety.

4. Political, country and regulatory risks:

Standards and regulation, legal and taxation risk

The markets we focus on tend to be highly regulated and can feature political instability as well as geopolitical risks such as possible international sanctions. We actively monitor financial, regulatory and political developments, both at an international level and through our local businesses, and put in place measures to mitigate these risks. Our local employees are well placed to react promptly to local challenges and opportunities. In some jurisdictions, we operate through subsidiaries and joint ventures that are partially owned by state-backed organisations – both a constraint in terms of operating autonomy and an opportunity in terms of political risk management. We engage in dialogue with relevant expert third parties and local authorities continually, to promote high standards across our operations and ensure readiness to conform with the legal norms and tax requirements globally. In addition, we are well diversified in terms of geographies, lines of business and customers and have a unique expertise in sourcing and supplying a wide range of products, all of which mitigate our political risks. Since our foundation in 1997, we have built a successful track record of managing regulatory, public infrastructure and communities risks where we operate, and have consequently not suffered from any material losses due to these risks.

5. Strategic risks:

Pandemics

Clearly, we faced the risk of pandemics through 2020 and 2021. We have succeeded in keeping this risk under control by quickly and effectively implementing our business continuity protocols while also following government and public health instructions. We worked hard at minimising the negative impact on the health and safety of our key stakeholders – employees, customers and suppliers. We also ensured the execution of our strategic objectives was not compromised. We have a crisis management team that provides central governance and process management covering critical areas of business, including brand and communication, people, finance, supply chain, legal, commercial and operational activities. We ensure employees are kept informed of the latest developments of the pandemic and any associated implications.

> Our risk governance structure is designed to ensure we continue to provide clear business ownership and oversight, helping us make the right decisions at the right time.

6. Energy transition risk:

We see the risk in failing to introduce and deploy new products and solutions in order to address the changes in the energy and oil markets within allocated resources. This could imply cheaper sources of energy than existing options, climate change concerns, market demand for green energies, and regulation towards a lower carbon economy.

We continuously monitor decarbonisation initiatives and regulations in countries where we are operating. Global and local teams make sure these are addressed and compiled with accordingly. We are working on developing a comprehensive Environment, Social and Governance plan by the first half of 2022. We are focused on delivering sustainable energy generation projects that reduce both oil dependency and carbon footprint. We are installing solar generation on our own assets: retail sites, terminals, refineries and aviation depots and currently operate 37 sites with a capacity of 1,302kWp in six countries.

Additional initiatives include a 'clean cooking project' aimed at selling LPG in our key markets; collecting cooking oil from our retail network, transforming it into sustainable fuel and selling it to the market. We are also working on improving our offer of sustainable fuels and carbon offset certificates to our commercial (B2B) and aviation customers.

GOVERNANCE

OUR BOARD OF DIRECTORS

Our Board of Directors brings together diverse energy industry professionals from around the world, who are committed to practising and promoting good governance throughout the Group.

Hadi Hallouche

Chief Executive of Puma Energy and Global Co-head of Oil Trading, Trafigura

Hadi joined the Puma Energy Board in October 2020 and became Chief Executive in October 2021. He has been Co-Head of Trafigura's Oil Trading Division since October 2021. This followed his two-year tenure as Head of Oil Singapore where he was responsible for managing the company's oil and gas trading activity across the Asia-Pacific region. Hadi joined Trafigura in 2011 as an LNG Trader. Prior to joining Trafigura, Hadi spent seven years in Royal Dutch Shell. Hadi, an Algerian national, holds a PhD in economics. 1 year at Puma Energy.

Pierre Lorinet

Director, Trafigura

Pierre joined Trafigura in 2002 and was appointed CFO in January 2007. Before joining Trafigura, he was employed by Merrill Lynch London and Banque Indosuez in the Middle East in various debt and capital market roles. Pierre left Trafigura in October 2015 but remains a director on several boards. 17 years at Puma Energy.

René Médori

Non-Executive Chairman, Puma Energy

René joined the Puma Energy Board as Non-Executive Chairman on 3 March 2020. René holds dual French and British nationality. He brings significant experience to the Board from his executive roles in the energy and natural resources sectors. He also has invaluable direct experience of international best practice in corporate governance and operating responsibly in emerging markets to the company. René was previously Chief Financial Officer of Anglo American, and Group Finance Director of The BOC Group. He currently holds Non-Executive Directorships at Newmont and Vinci and he is also Chairman ofxPetrofac. 2 years at Puma Energy.

Mike Wainwright

Director, Trafigura

Michael was appointed Chief Operating Officer and Trafigura Management Board member in January 2008. His principal focus is the management of the middle and back office support teams for the trading division, direct responsibility for the Group's P&L and responsibility for the Finance function at Board level. Mike joined Trafigura in 1996. He has held various roles within the Group, covering accounting, deals desk and middle office IT development. Mike holds a BSc in mathematics and actuarial studies from Southampton University. 14 years at Puma Energy.

OUR EXECUTIVE COMMITTEE

Our highly experienced Executive Committee works closely together to set the strategy and lead the growth and success of Puma Energy.

As at 31 December 2021, its membership was:

Hadi Hallouche

Chief Executive of Puma Energy and Global Co-head of Oil Trading, Trafigura

Hadi joined the Puma Energy Board in October 2020 and became Chief Executive in October 2021. He has been Co-Head of Trafigura's Oil Trading Division since October 2021. This followed his two-year tenure as Head of Oil Singapore where he was responsible for managing the company's oil and gas trading activity across the Asia-Pacific region. Hadi joined Trafigura in 2011 as an LNG Trader. Prior to joining Trafigura, Hadi spent seven years in Royal Dutch Shell. Hadi, an Algerian national, holds a PhD in economics.

Carlos Pons

Chief Financial Officer Of Puma Energy

Carlos joined Trafigura in 2013 and has 17 years of experience in M&A, financing and asset and portfolio management in the energy sector. Throughout his career, Carlos has been heavily involved in portfolio management, integration and restructurings. Carlos is a Board member of several Trafigura Group companies including Wolverine Fuels, Porto Sudeste and Mineração Morro do Ipê. Carlos is a Spanish national and holds a BA in business administration from the University of ICADE Madrid, Spain. He is a Spanish native speaker and fluent in English, French and Russian.

Martin Urdapilleta

Head Of Puma Energy Latin America

Martin was appointed Head of Puma Energy Latin America in June 2021 and is responsible for Puma Energy's Downstream businesses and operations across the region. He also holds the position of General Manager, Argentina for Trafigura. Martin joined Trafigura in 2008 in the Buenos Aires office as a regional petroleum products trader. Martin was appointed General Manager of Trafigura Argentina in August 2018, responsible for the Group's growing activities in the country. Prior to joining Trafigura, Martin worked at Bunge, focused on bio-diesel and agricultural products. Martin is an industrial engineer by training and graduated from the Instituto Tecnologico de Buenos Aires.

Fadi Mitri

Head Of Africa

Before becoming Puma Energy's Head of Africa in September 2021, Fadi was Trafigura's Head of Business Development for LNG and gas. Prior to joining Trafigura, Fadi worked for Royal Dutch Shell for 12 years in Austria, Finland, the Netherlands, and Dubai, in a variety of roles including lubricants supply chain management, government relations, and mergers and acquisitions. In 2012, Fadi moved to Shell's LNG division and worked across Europe, Africa and Latin America.

OUR EXECUTIVE COMMITTEE
CONTINUED

Seamus Kilgallon
Head Of Aviation

Seamus took up his current position as Executive Head of Aviation in September 2021 and is based in the Geneva Office. Seamus joined the business in 2016 as Head of Aviation Fuels. Prior to joining Puma, Seamus worked for Shell in various roles focusing on the sales and marketing of fuels, lubricants and technical products to various industries. The roles include General Manager for Aviation Africa, Global Strategy & Marketing Manager, Global Lubricants OEM Sales Manager and Global Lubricants M&A Portfolio Manager. Seamus has more than 20 years' experience in the fuels and lubricants and industry. He has a first-class Bachelor of Science with honours from Ulster University in Belfast, is a fellow of the Chartered Institute of Management Accountants (CIMA) in London, and completed the Management Acceleration Programme at INSEAD in Paris.

Sean Craig
Head Of Human Resources

Sean took up his appointment as Head of Human Resources at Puma Energy in April 2021. Sean joined the business in July 2012 as Head of HR Systems. During his time with Puma Energy, he has also undertaken the roles of Global Head of HR Operations and Systems, European Head of HR, Head of Africa HR, Global Head of Digital HR Transformation, Interim CHRO and Global Head of People & Culture and Transformation. Prior to joining Puma Sean consulted for Oracle Systems for five years as its HR Technology Stream Lead & Technical Delivery Manager. Sean has extensive experience in Global HR Management, in both established and emerging markets, HR Systems, HR Operations and HR digitalisation. Sean is experienced in driving organisational change in multiple sectors such as Oil & Gas, Mining and banking. Sean has more than 15 years' experience in the HR industry. He holds an MBA from the IE Business School in Spain and a bachelor's in commerce from the University of Johannesburg.

Matt Willey
Interim Head Of Corporate Affairs And Brand

Matt joined Puma Energy in 2020 and has 20 years' experience in Corporate Affairs and Communications. Matt joined Puma Energy from Drax Group plc where he was Group External Affairs Director and was responsible for external communications, including government and stakeholder relations, policy, media and social media. Prior to that, Matt has held a range of positions at the UK Ministry of Defence, the UK Cabinet office and in communications consultancy. Matt is a UK national and holds an MSc in international relations and politics from the University of Southampton.

Nicacio Brusaferro
General Counsel

Prior to becoming General Counsel at Puma Energy, Nicacio spent 10 years as senior counsel at Trafigura, mainly focused on Africa and Latin America with 22 years' experience in the commodities industry. Before joining Trafigura, Nicacio was Chief Legal Officer Middle East-North of Africa for Vale, based in the Middle East and prior he worked as International Projects legal counsel, covering major integrated capital projects in Africa, Middle East and Southeast Asia. Nicacio graduated in Law and Management in Brazil with an MBA in International Trade from FGV (2005) and post-graduation in international trade law from Universita di Torino/Istituto di Studi Europei (2004).

CHAIRMAN'S GOVERNANCE REPORT

We are committed to good governance. It is fundamental to our ongoing growth and success.

Enhancing our governance

While retaining the core of our strong governance structure, including an independent Chairman, we are also looking for opportunities to enhance our governance. Simplifying and streamlining the business has been a key feature of reorganising Puma Energy and we have applied this to our governance. So for example, we have reduced the size of the Board from eight to four.

In 2021 we also streamlined the Board committee structure with dissolution of the remuneration Committee and the creation of a single Finance, Audit and Risk Committee in place of the previously separate Audit and Finance and Investment Committees.

Our objective is to concentrate on and tackle the most important governance issues more quickly and effectively. This emphasis on pace and performance is one of the defining characteristics of Puma Energy under the new leadership and decentralised organisational structure.

Our governance principles

Effectiveness	Having the appropriate balance of skills, experience, independence and knowledge of the Company and industry to discharge duties and responsibilities effectively.
Accountability	Clarifying the conduct and accountability of management, its roles and responsibilities and ensuring the alignment of management's and shareholders' interests.
Transparency	Having transparent arrangements for considering how to apply corporate reporting, risk management and internal control principles and maintaining an appropriate relationship with the Company's auditors.
Independence	Conducting corporate governance in a professional way without conflict of interest and free from any internal and external influence or pressure.
Fairness	Ensuring the protection and equal treatment of shareholders' rights, including minority and foreign shareholders' rights.
Responsibility	Determining the nature and extent of risks to take in achieving the Group's strategic objectives while maintaining sound risk management and internal control systems.

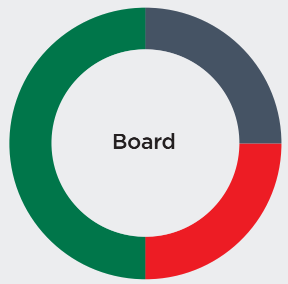
// As we pursue our growth strategy under new management alongside much closer cooperation with Trafigura, we will retain our strong independent governance structure.

Our strong, diverse leadership

Across our Board and Executive Committee, we have a great range of experienced people with diverse backgrounds and skills. Together, our senior leaders focus on ensuring good governance and delivering our strategy successfully for our stakeholders.

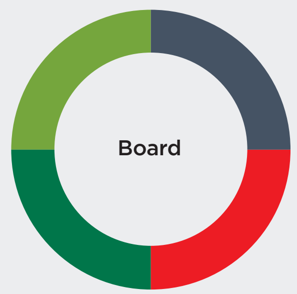
Tenure

- < 1 year
- 1 to 2
- 5 >



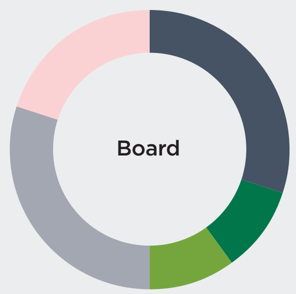
Nationality

- Algerian
- French
- French and British
- British
- Spanish



Experience

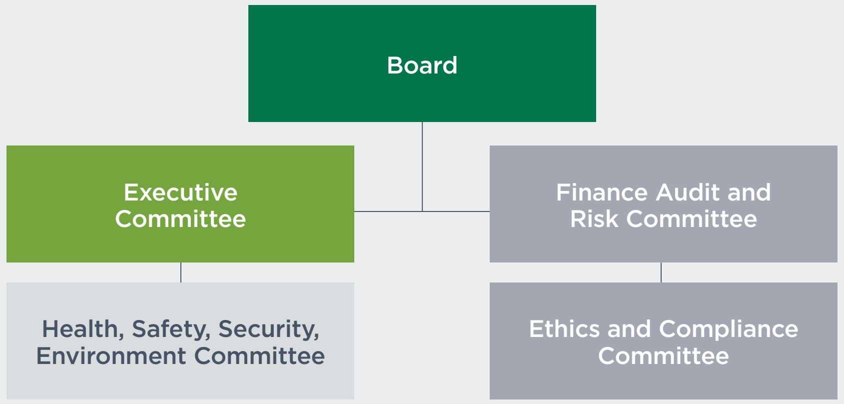
- Oil & Gas/Energy
- Engineering
- Technology
- Economics
- Finance
- Marketing & Communications
- HR
- Mining
- Trading
- Telecommunications



CHAIRMAN'S GOVERNANCE REPORT
CONTINUED

Robust governance structure

We have a robust governance structure. At its core, this includes our Board of Directors which brings together diverse energy industry professionals from around the world; our highly experienced and motivated Executive Committee setting the strategy and leading the transformation of Puma Energy; and three committees: Finance, Audit and Risk; Ethics and Compliance; and Health, Safety, Security and Environment (HSSE).



Ensuring good governance

Our governance is strong and well-established at Puma Energy.

Governance objectives

Our approach is driven by three overriding objectives. We seek:

1. To support a performance-driven global business focused on growth.
2. To maximise our commercial flexibility by light-touch central management that empowers individual employees at a local level.
3. To balance the previous two principles by promoting a strong culture of governance and using effective information systems to ensure transparency and accountability.

The Board of Directors

The Board comprises a Non-Executive Chairman, the Chief Executive Officer and two other Board members who represent our major shareholders. Our Board meets at least four times a year to, among other matters, set our strategy and oversee how it is implemented.

The Board's main duties and responsibilities include:

- Approving the nominations of Executive Committee members and such other specialised committees as deemed necessary
- Defining Puma Energy's strategic orientation
- Approving Puma Energy's annual budget and five-year business plan, including its investment programme
- Approving investments, divestments, loans or financing equivalent to more than 3% (but less than or equal to 25%) of the total net assets of the Puma Energy Group, whether or not the projected amount is part of an announced strategy
- Reviewing information on significant events related to the Company's affairs

Key issues our Board discussed during 2021 included:

- Safely delivering the business plan
- Refreshing the five-year strategy plan
- Reorganising the operating model
- Streamlining the Executive Committee
- Shareholder support

Roles and responsibilities of our Chairman and CEO

Puma Energy has had separate Chairman and Chief Executive functions since 2012.

Our Chairman, René Médori, is responsible for:

- Leading our Board and ensuring it makes effective decisions
- Maintaining good relations between our Board and shareholders
- Representing us in high-level discussions with governments and other important partners
- Chairing the Board's activities and our Finance and Audit Committees

Our Chief Executive, Hadi Hallouche, is responsible for:

- Managing the Company
- Reporting the Company's results and outlook to shareholders and the financial community
- Overseeing the strategic direction of the Company

Executive team

Our highly experienced executive team take decisions to grow our business effectively and profitably. Puma Energy has a lean and agile management structure that enables us to make quick, robust decisions in a transparent way.

The main duties and responsibilities of the executive team include:

- Implementing the strategic vision defined by the Board of Directors
- Providing organisational direction on behalf of the Board
- Advising the Board on decisions and business matters, ranging from strategy planning and policy to investment and risk
- Setting financial plans, monitoring and evaluating the implementation of these plans and ensuring that any necessary adjustments are made if required
- Ensuring that systems and structures are in place to provide effective management and support for employees
- See our executive team section on pages [XX] for details of our leadership team

Our committees

We have appointed the following committees to ensure the smooth and effective running of our business:

- Finance, Audit and Risk Committee
- Ethics and Compliance Committee
- Health, Safety, Security and Environment Committee

Managing our business responsibly

We employ more than 4,700 people from around 40 countries, and have implemented a structure of global, regional and local offices to ensure we manage our business responsibly.

Find out more in our section on operating responsibly on page 54.

Subsidiaries and joint ventures

In most countries we operate through a local subsidiary. We have more than 200 companies in more than 60 jurisdictions around the world. Most subsidiaries are either wholly owned or majority owned. In some countries, we have joint ventures with local or state-owned businesses. A General Manager or local management team oversees each local business, supported by regional and central functions, and they are accountable to the Head of the Region.

Unless contrary to local requirements, each subsidiary's Board includes at least one member of the executive team. The General Manager is not normally on the Board, unless there is a local requirement. For our investments in associates, the executive team chooses a Puma Energy representative on a case-by-case basis.

Ownership and shareholders

We operate independently of our main shareholder Trafigura. However, we can draw on their management expertise and market knowledge.

Trafigura is one of the world's leading international commodity traders, specialising in the oil, minerals and metals markets, with 4,316 employees across Europe, Africa, Asia, Australia and North, Central and South America.

Founded in 1993, Trafigura is owned by its management and employees. It has achieved substantial growth in recent years, growing turnover from US$ 18BN in 2004 to US$ 231BN in 2021.

CHAIRMAN'S GOVERNANCE REPORT *CONTINUED*

Trafigura's primary trading businesses are involved in the supply and transport of crude oil, petroleum products, renewable energies, coal, refined metals, ferrous and non-ferrous ores and concentrates. It is the world's second-largest independent non-ferrous trading company and the third-largest independent oil trader.

We are one of Trafigura's largest suppliers of Midstream services, such as storage and bunkering, which in turn provides Puma Energy with stable cash flows. Trafigura is a preferred supplier of petroleum products to Puma Energy.

For more information about Trafigura, visit: www.trafigura.com

Finance, Audit & Risk Committee

Members of the Committee (as at 31 December 2021)
Pierre Lorinet (Chair), René Médori, Hadi Hallouche, Michael Wainwright, Carlos Pons

The Committee meets at least twice a year, and met a combined total of six times in 2021 (initially as two separate committees until merged)

Key responsibilities

- Overseeing the financial reporting and disclosure process of the Group.
- Monitoring the effectiveness of the Group's Internal Audit function and reviewing any material findings.
- Overseeing the relationship with the external auditors, including agreeing their fee and assessing their independence and effectiveness.
- Establishing procedures for receipt, retention and treatment of complaints received by the Company regarding accounting, internal controls or auditing matters.
- Engaging independent advisers as it deems necessary to carry out its duties.
- Providing Board oversight of the Ethics and Compliance Committee activities.
- Reviewing and making recommendations to the Company in relation to matters affecting the Group's capital structure and financing, tax and treasury aspects of the Group.
- Validating our external financing principles.
- Reviewing KPIs and monitoring rating policies.
- Overseeing the governance and activities of the Company's treasury functions.
- Overseeing portfolio management.

Key issues addressed in the year

- The main focus of the newly combined Committee (previously the separate Audit Committee and Finance & Investment Committee) through the year was to review the key internal audit findings for 2021 and the 2021 balance sheet review. The Committee also reviewed the 2021 internal audit plan and discussed updates.
- There was a particular focus on developing the Company's current internal control and risk framework and investigating opportunities for improvement.
- Alongside longstanding ongoing activities such as reviewing, advising on and approving the Company's main financing facilities, the committee expanded its focus in include an increasing emphasis on portfolio management.
- With the help of external advisers, the whole portfolio was reviewed and recommendations were made to the Committee. The main priorities were to look for the best ways to deleverage the balance sheet and drive our investment strategy to optimise our portfolio for the future growth and sustainability of Puma Energy.
- A number of portfolio optimisation projects have been undertaken though the year.
- The Committee also considered and closely monitored a number of divestments in 2021 including the sale of our business in Angola to Sonangol, the sale of our terminal in Ivory Coast and the sale of our business in Pakistan.
- The Committee also reviewed the successful rights issue, which concluded in September 2021.

Future focus

- Maintain a clear view of our current risk landscape with a particular focus on the six most material risks.
- Implement the Audit Strategy for 2022 and return to pre-COVID-19 fieldwork patterns.

Ethics and Compliance Committee

Members of the Committee (as at 31 December 2021)
Hadi Hallouche (Chair), Rhibetnan Yaktal, Sean Craig, Fadi Mitri, Martin Urdapilleta

The Committee meets at least twice a year, and met three times in 2021.

Key responsibilities

- Reviewing, approving and overseeing the Company's programme for ethics and compliance.
- Reviewing significant ethics and compliance risks and confirming that appropriate risk management activities and plans are in place.
- Monitoring the overall ethics and compliance performance in the Company.
- Reviewing the systems in place to enable staff to speak up about potential breaches of the Code of Conduct.
- Reviewing significant investigations and outcomes to identify lessons learned and opportunities for systemic remediation.
- Reviewing and resolving significant ethics and compliance matters that have the potential to adversely and materially impact the Company's reputation.
- Setting out and providing guidance on the culture and values of Puma Energy in support of an effective compliance management framework.

Key issues addressed in the year

- A detailed compliance risk assessment covering five key areas: anti-bribery and corruption, anti-money laundering, modern slavery, data privacy and third-party engagement.
- The publication of our Supplier Code of Conduct.
- A number of policy reviews including the introduction of a Group wide Modern Slavery Policy and updates to our Modern Slavery Statements for the UK and Australia; and updates to our Anti-Money Laundering Policy and our Anti-Trust Policy. We also introduced an online Gifts and Entertainment Policy
- The roll-out of Company-wide training and certification for our Code of Business Conduct to all employees with online access. In 2022 we will extend this training to industrial, technical and operational employees.
- Strengthening of our third-party contracting process by automating the link between our know your customer (KYC) system and our enterprise resource planning (ERP) system.

Future focus

- Building on our risk assessment, we plan to assess how well the controls put in place to mitigate risks are working.
- Face-to-face training to cover our key risk areas and functions.
- Wider distribution of the Puma Energy Supplier Code of conduct.
- Formal recognition of employees who have behaved responsibly.

Health, Safety, Security, Environment (HSSE) Committee

Members of the Committee (as at 31 December 2021)
Hadi Hallouche (Chair), Ivan Govender, Fadi Mitri, Martin Urdapilleta, Daniel Duffau, Ricardo Bendana, Richard Head, Christophe Dantcikian, Priit End, Sean Craig, Omar Zaafrani

The Committee now meets monthly, and met 10 times in 2021.

Key responsibilities

- Entrench a culture of Health, Safety, Security and Environmental compliance within Puma Energy
- Provide strategic direction and leadership
- Develop HSSE policies and plan
- Set the tone for HSSE in the organisation
- Review global HSSE performance and set targets
- Focusing on four key areas: economic development; health and safety; the environment; our people and the communities in which we work.
- Advising the business on all sustainability matters.
- Supervising other working groups responsible for specific strategic, technical, operational and community projects.
- Reviewing historical performance indicators.

Key issues addressed in the year

- Continuing to embed our one best way of HSSE excellence across Puma Energy, with our vision of zero harm to people and the environment.
- Achieving this through strong leadership commitment and delivering on key health and safety measures despite the ongoing COVID-19 pandemic.
- Changing tack to reinforce leading indicators such as the reporting of near misses and non-conformances in order to address safety concerns before they escalate into actual incidents.
- Amplifying our investigation of incidents to understand root causes and share lessons within the Group.
- Continuing to raise awareness on road safety.

Future focus

- Targeting a step change in shifting HSSE behaviours and transforming our HSSE culture. The emphasis is on collectively striving for zero harm to colleagues, contractors and communities; business partners and our customers; property and the environment.
- In striving for environmental excellence, we will be stepping up our focus on the collection and validation of key environmental data related to greenhouse gas (GHG) emissions, water consumption and waste generation in support of our ESG framework. This is key in informing our mitigation of our environmental impacts.

FINANCIAL STATEMENTS

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF INCOME

For the years ended 31 December

in US$'000	Notes	2021	2020 Restated(i)
Continuing operations			
Revenue from contracts with customers	10.1	10,971,232	8,157,324
Cost of sales		(9,972,625)	(7,066,266)
Gross profit		**998,607**	**1,091,058**
Selling and operating costs	10.2	(749,284)	(899,947)
General and administrative expenses	10.3	(136,761)	(148,637)
Other operating income	10.4	1,346	3,627
Other operating expenses	10.4	(1,057,812)	(83,558)
Share of net profits and losses of associates	9.2	2,606	6,283
Operating loss		**(941,298)**	**(31,174)**
Finance income	10.5	12,428	19,422
Finance costs	10.6	(214,463)	(232,301)
Net foreign exchange gains/(losses)	10.7	(26,763)	(49,397)
Loss before tax		**(1,170,096)**	**(293,450)**
Income tax expense	11.1	(95,867)	(57,643)
Loss after tax from continuing operations		**(1,265,963)**	**(351,093)**
Profit after tax from discontinued operations	**12.1**	29,696	2,627
Loss for the year		**(1,236,267)**	**(348,466)**
Attributable to:			
Owners of the parent		(1,236,931)	(333,066)
Non-controlling interests		664	(15,400)

(i) Prior year figures have been restated as per note 12.10 following IFRS5 requirement on discontinued operations.

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the years ended 31 December

in US$'000	2021	2020
Loss for the year	**(1,236,267)**	**(348,465)**
Other comprehensive income/(loss)		
Exchange differences on translation of foreign operations, net of tax	1,304,614	**(57,673)**
Other loss	(1,286)	**(925)**
Net other comprehensive gain/(loss) to be reclassified to profit or loss in subsequent periods	**1,303,328**	**(58,598)**
Remeasurement gains/(losses) on defined benefit plans, net of tax	806	**(1,021)**
Net other comprehensive income/(expense) not to be reclassified to profit or loss in subsequent periods	**806**	**(1,021)**
Total other comprehensive income/(expense)	**1,304,134**	**(59,619)**
Total comprehensive income/(expense) for the year, net of tax	**67,867**	**(408,083)**
Attributable to:		
Owners of the parent	63,102	**(394,935)**
Non-controlling interests	4,765	**(13,148)**

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

For the years ended 31 December

in US$'000	Notes	**2021**	2020
Assets			
Non-current assets			
Property and equipment	13	972,321	2,037,194
Intangible assets and goodwill	14	351,524	546,321
Right-of-use	15	536,279	627,743
Investments in associates	9.2	22,313	19,669
Other financial assets	18	36,938	54,233
Deferred tax assets	11.5	59,184	49,924
Other assets	19	141,180	150,860
Total non-current assets		**2,119,739**	**3,485,944**
Current assets			
Inventories	17	899,599	861,309
Other assets	19	332,721	196,895
Income tax receivable	11.4	16,140	16,344
Trade receivables	20	579,676	521,708
Other financial assets	18	86,007	141,504
Cash and cash equivalents	21	452,542	507,192
Total current assets		**2,366,685**	**2,244,952**
Asset classified as held for sale	**12.9**	1,209,299	**52,861**
Total assets		**5,695,723**	5,783,757
Equity and liabilities			
Equity			
Share capital	22	2,168,099	1,657,067
Retained earnings		(1,625,043)	(327,141)
Foreign currency translation reserve		(510,939)	(1,811,418)
Other components of equity		5,378	4,545
Equity attributable to owners of the parent		**37,495**	**(476,947)**
Non-controlling interests		**144,224**	89,915
Total equity		**181,719**	**(387,032)**
Non-current liabilities			
Interest-bearing loans and borrowings	23	1,865,044	2,070,886
Lease liabilities	24	373,205	557,991
Retirement benefit obligations		672	1,367
Other financial liabilities	26	6,883	7,236
Deferred tax liabilities	11.5	50,326	44,648
Provisions	25	14,905	45,420
Total non-current liabilities		**2,311,035**	**2,727,548**
Current liabilities			
Trade and other payables	27	1,960,203	2,061,605
Interest-bearing loans and borrowings	23	484,427	1,044,766
Lease liabilities	24	90,354	89,883
Other financial liabilities	26	238,668	140,079
Income tax payable	11.4	90,725	43,894
Provisions	25	20,204	19,927
Total current liabilities		**2,884,581**	**3,400,154**
Liabilities directly associated with the assets classified as held for sale	**12.9**	318,388	**43,087**
Total liabilities		**5,514,004**	**6,170,789**
Total equity and liabilities		**5,695,723**	**5,783,757**

FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Attributable to owners of the parent						
In US$'000	Notes	Share capital	Retained earnings	Foreign currency translation reserve	Other components of equity	Total	Non-controlling interest	**Total equity**
At 1 January 2021		**1,657,067**	**(327,141)**	**(1,811,418)**	**4,545**	**(476,947)**	**89,915**	**(387,032)**
Loss for the period		–	(1,236,931)	–	–	(1,236,931)	664	(1,236,267)
Other comprehensive loss		–	(1,279)	1,300,479	833	1,300,033	4,101	1,304,134
Total comprehensive loss		**–**	**(1,238,210)**	**1,300,479**	**833**	**63,102**	**4,765**	**67,867**
Dividends		–	–	–	–	–	(2,173)	(2,173)
Share capital increase		511,032	–	–	–	511,032		511,032
Acquisitions/disposals of non-controlling interests	6.5	–	(59,692)	–	–	(59,692)	51,717	(7,975)
At 31 December 2021		**2,168,099**	**(1,625,043)**	**(510,939)**	**5,378**	**37,495**	**144,224**	**181,719**

		Attributable to owners of the parent						
In US$'000	Notes	Share capital	Retained earnings	Foreign currency translation reserve	Other components of equity	Total	Non-controlling interest	**Total equity**
At 1 January 2020 – restated		**2,060,035**	**52,252**	**(1,794,555)**	**5,568**	**323,300**	**124,076**	**447,376**
Loss for the period		–	(333,064)	–	–	(333,064)	(15,400)	(348,464)
Other comprehensive loss		–	(925)	(59,923)	(1,023)	(61,871)	2,252	(59,619)
Total comprehensive loss		**–**	**(333,989)**	**(59,923)**	**(1,023)**	**(394,935)**	**(13,148)**	**(408,083)**
Dividends		–	–	–	–	–	(21,003)	(21,003)
Share capital reduction		(402,968)	–	–	–	(402,968)	–	(402,968)
Mandatorily redeemable preference shares cancellation (Australian divestment)		–	(43,060)	43,060	–	–	–	–
Reclassification to share based payment payable from employees		–	(4,663)	–	–	(4,663)	–	(4,663)
Reclassification to employee long term incentive plan		–	(1,167)	–	–	(1,167)	–	(1,167)
Share-based payments(i)		–	3,347	–	–	3,347	–	3,347
Other		–	139	–	–	139	(10)	129
At 31 December 2020		**1,657,067**	**(327,141)**	**(1,811,418)**	**4,545**	**(476,947)**	**89,915**	**(387,032)**

(i) The line share-based payments, includes the costs accrued during the year for the employee share plan.

CONSOLIDATED STATEMENT OF CASH FLOWS

in US$'000	Notes	2021	2020
Operating activities			
Loss before tax from continuing operations		(1,170,096)	(293,449)
Gain before tax from discontinued operations		30,414	4,252
Loss/(profit) before tax		**(1,139,682)**	**(289,196)**
Non-cash adjustments to reconcile profit before tax to net cash flows:			
Depreciation and impairment of property and equipment	10.2, 13	255,090	429,828
Amortisation and impairment of intangible assets	10.2, 14	43,942	66,280
Amortisation and impairment of lease right-of-use	15	118,564	132,226
Tangible and intangible assets written off		–	–
Loss on disposal of assets and investments	10.4	1,003,917	56,008
Net interest expense	10.5, 10.6	171,485	183,009
Lease financial costs	7.2, 12.2	41,778	56,889
Dividend income	10.5	(2,374)	(1,686)
Share of net profit of associate	9.2	(2,039)	(4,529)
Provisions		49,850	2,957
Changes in value of derivative financial instruments		17,681	(31,265)
Effect from hyperinflation adjustment	10.6	169	1,175
Working capital adjustments:			
(Increase)/decrease in trade, other receivables and prepayments		(230,057)	74,207
(Increase)/decrease in inventories		(178,211)	105,345
Increase/(decrease) in trade, other payables and accrued expenses		97,839	(501,567)
Interest received	10.5	12,314	15,413
Dividends received from associates		2,000	1,000
Income tax paid		(77,081)	(50,866)
Net cash flows from operating activities		**185,183**	**245,228**
Investing activities			
Net proceeds from sale of subsidiaries and investments	6.6	517,982	329,384
Proceeds from sale of assets		9,468	3,237
Purchase of intangible assets	14	(10,364)	(9,251)
Purchase of property and equipment	13	(215,371)	(143,616)
Acquisitions of subsidiaries, net of cash acquired	6.3	–	(2,530)
Divestment of long-term financial investments	18	–	22,418
Dividends received from investments	10.5	1,376	3,352
Net cash flows from/(used in) investing activities		**303,090**	**202,994**
Financing activities			
Loans (granted)/reimbursed		3,983	18,429
Proceeds from/(repayment of) borrowings		(810,377)	(289,288)
Proceeds from equity increase/(reimbursement) of equity		498,714	
Interest paid		(139,994)	(182,551)
Lease payments	30.6	(153,081)	(157,837)
Dividends paid	30.6	(2,173)	(21,003)
(Acquisitions)/divestment of non-controlling interests	6.5	(10,000)	
Deemed distribution to shareholder		–	(26,816)
Net cash flows used in financing activities		**(612,928)**	**(659,066)**
Net increase in cash and cash equivalents		(124,655)	(210,844)
Effects of exchange rate differences		91,376	96,858
Cash and cash equivalents under continuing operations at 1 January	21	507,192	619,023
Cash and cash equivalents under assets held for sale at 1 January		341	2,496
Cash and cash equivalents at 1 January		507,533	621,519
Cash and cash equivalents at 31 December		**474,255**	**507,533**
Less: cash and cash equivalents under assets held for sale at 31 December		21,713	341
Cash and cash equivalents under continuing operations at 31 December	21	**452,542**	**507,192**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Puma Energy Holdings Pte Ltd (the 'Company') was incorporated in Singapore as a private company limited by shares on 2 May 2013. The registered office of the Company is 1 Marina Boulevard #28-00, One Marina Boulevard, Singapore 018989.

The principal business activities of the Company and its subsidiaries (the 'Group') are the ownership and operation of storage facilities for, and the sale and distribution of, petroleum products.

The Group is owned by Trafigura PE Holding Ltd (58.10%), Trafigura PTE Ltd. (34.16%), TPE Holdings 2 LLC (4.32%), PE Investments Limited (3.2%) and other investors (0.22%).

The consolidated financial statements of Puma Energy Holdings Pte Ltd for the year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors on 3 March 2022.

2. Accounting methods

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments that have been measured at fair value and those inventories that qualify for fair value accounting using the IAS 2 *Inventories* exemption.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries at 31 December 2021. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has all of the following:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group voting rights and potential voting rights.

The Group 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. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the equity holders of the parent of the Group 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 accounting policies. All intra-Group assets, liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interests.
- Derecognises the cumulative translation differences recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Subsidiaries whose functional currencies have experienced a cumulative inflation rate of close to 100% over the past three years apply the rules of IAS 29 *Financial Reporting in Hyperinflationary Economies*. Gains or losses incurred upon adjusting the carrying amounts of non-monetary assets and liabilities for inflation are recognised in the income statement. The subsidiaries in Angola and Zimbabwe restate non-monetary items in the balance sheet in line with the requirements of IAS 29.

The only hyperinflationary economy applicable to the Group is Zimbabwe. The hyperinflationary treatment previously applicable to Angola was ceased at 31 March 2020. For Zimbabwe the hyperinflationary treatment has been applied starting with 1 January 2020. The financial statements of the major subsidiaries in Zimbabwe are first adjusted for the effect of inflation with any gain or loss on the net monetary position recorded in the related functional lines in the consolidated income statement and then translated into US Dollars.

2.3 Summary of significant accounting policies

a) Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed, are recognised at their fair value, except that:

- Deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 *Income Taxes* and IAS 19 *Employee Benefits* respectively.
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (e.g. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

b) Foreign currency translation

Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Group entities at their respective functional currency spot rates prevailing at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are converted at the exchange rate in effect at the closing date of each reporting period. These items are recorded, according to their nature, either as components of finance income or finance costs in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items is recognised in line with the gain or loss of the item that gave rise to the translation difference (translation differences on items whose gain or loss is recognised in other comprehensive income or profit or loss are also recognised in other comprehensive income or profit or loss, respectively).

Group companies

The presentation currency of the Group is the US Dollar. Consolidated statement of financial position items are translated into US Dollars at the exchange rate applicable on the date of closure of the reporting period, and consolidated statement of income items are translated using the average exchange rate over the reporting period. Foreign exchange differences arising on translation for consolidation are recognised in other comprehensive income and included in consolidated shareholders' equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

c) Non-current assets held for sale

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

d) Investment in associates and joint ventures

An associate is an entity over which the Group 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.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. Interest in joint operations are recorded according to IFRS 11 *Joint Arrangements*:

- Assets, including its share of any assets held jointly.
- Liabilities, including its share of any liabilities incurred jointly.
- Revenue from the sale of its share of the output arising from the joint operation.
- Share of the revenue from the sale of the output by the joint operation.
- Expenses, including its share of any expenses incurred jointly.

The results of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*. 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 share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The requirements of IAS 39 *Financial Instruments: Recognition and Measurement* 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 IAS 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 IAS 36 *Impairment of Assets* to the extent that the recoverable amount of the investment subsequently increases.

Upon disposal of an associate that results in the Group losing significant influence over that associate, any retained investment is measured at fair value at that date and the fair value is regarded as its fair value on initial recognition as a financial asset in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*. The difference between the previous carrying amount of the associate attributable to the retained interest and its fair value is included in the determination of the gain or loss on disposal of the associate. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when it loses significant influence over that associate.

When a Group entity transacts with its associate, 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.

e) Goodwill

Goodwill is measured as being the excess of the aggregate of the consideration transferred, the amount recognised for any non-controlling interest and the acquisition-date fair values of any previously held interest in the acquiree over the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date.

At the acquisition date, any goodwill acquired is allocated to each of the cash-generating units (CGUs) or group of CGUs expected to benefit from the combination's synergies.

Following initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Impairment is determined by assessing the recoverable amount of the CGU or group of CGUs to which the goodwill relates. Where the recoverable amount of the CGU or group of CGUs is less than the carrying amount, an impairment loss is recognised. An impairment loss recognised for goodwill is not reversed in a subsequent period. For the impairment test, see note 16.

Goodwill may also arise upon investments in associates, being the surplus of the cost of investments in associates. Goodwill is included in the carrying amount of the investment in an associate and is neither amortised nor individually tested for impairment.

f) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised according to the straight-line method for the periods corresponding to their expected useful lives. Intangible assets are mainly comprised of software licences (useful lives ranging from three to five years) and certain long-term concession rights related to land usage (useful lives ranging from 33 to 99 years).

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss when the asset is derecognised.

g) Property and equipment
Property and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of any decommissioning obligation, if any, and, for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The capitalised value of a finance lease is also included within property and equipment. Land and buildings are accounted for under the cost model. Hence no revaluation is carried out, in line with IAS 16 *Property, Plant and Equipment*.

Depreciation is provided on a straight-line basis over estimated useful lives of the respective assets, taking into account the residual value. The estimated useful lives are:

Buildings	33 years
Machinery and equipment	3 to 20 years
Other fixed assets	1 to 5 years

The expected useful lives of property and equipment are reviewed on an annual basis and, if necessary, changes in useful lives are accounted for prospectively.

The carrying value of property and equipment is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable.

When significant parts of property and equipment are required to be replaced at intervals, the Group recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in profit or loss in the period in which the item is derecognised.

h) Impairment of non-financial assets
The Group assesses its non-financial assets at each reporting date for possible impairment if there are events or changes in circumstances that indicate that carrying values of the assets may not be recoverable and, as a result, charges for impairment are recognised in the Group results from time to time.

Such indicators include changes in the Group business plans, changes in commodity prices leading to sustained unprofitable performance, an increase in the discount rate, low asset utilisation, evidence of physical damage and, for petroleum-related properties, significant downward or upward revisions of estimated volumes.

The assessment for impairment entails comparing the carrying value of the asset or CGU with its recoverable amounts being the higher of fair value less costs to sell and value in use. A CGU is the smallest group of assets whose continued use generates cash inflows that are largely independent of cash inflows generated by other groups of assets. Value in use is usually determined on the basis of discounted estimated future net cash flows. When the carrying amount of an asset or a CGU exceeds the recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount. Determination as to whether and how much an asset is impaired involves management estimates on highly uncertain matters such as future commodity prices, the effects of inflation on operating expenses, discount rates and the outlook for global or regional market supply and demand conditions for petroleum products. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years.

Goodwill and intangible assets with an indefinite useful life are subject to an annual impairment test or, more frequently, if there are indications of a loss in value.

For assets, excluding goodwill and intangible assets with an indefinite life, an assessment is made at each reporting date of whether there is an impairment and if such an indication exists, an impairment test is carried out. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Impairment losses relating to goodwill cannot be reversed in future periods.

i) Financial assets
Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at amortised cost (debt instruments)
The Group measures financial assets (debt instruments) at amortised cost if both of the following conditions are met:
- The financial asset is held 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.

They are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at fair value through OCI (debt instruments)
The Group measures debt instruments at fair value through OCI if both of the following conditions are met:
- The financial asset is held with the objective of both holding to collect contractual cash flows and selling, 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

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)
Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI.

Financial assets at fair value through profit or loss
Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:
- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has transferred control of the asset

When the Group has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets
The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment

j) Financial liabilities
All financial liabilities are recognised initially at fair value plus, in the case of loans and borrowings, directly attributable transaction costs. The subsequent measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities

designated upon initial recognition at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied.

Loans and borrowings
This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 23.

Derecognition
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

k) Derivative financial instruments
The Group utilises derivative financial instruments (shown separately in the consolidated statement of financial position under other financial assets and other financial liabilities) to economically hedge its primary market risk exposures, primarily risks related to commodity price movements, and to a lesser extent, related to exposure to foreign currency exchange and interest rate movements. For some of these derivative transactions, the Group will enter into positions through Trafigura Pte Ltd and Trafigura Derivatives Ltd. The Group has an agreement in place with Trafigura Pte Ltd and Trafigura Derivatives Ltd whereby those derivative transactions entered into on behalf of the Group by Trafigura Pte Ltd and Trafigura Derivatives Ltd are contractually binding to the Group and therefore any gains or losses arising from such transactions are strictly for the account of the Group.

Derivatives, including separated embedded derivatives, are classified as held for trading at fair values and related gains and losses are recorded in profit or loss unless they are designated as effective hedging instruments as defined by IFRS 9 The Group does not generally apply hedge accounting as defined by IFRS9.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Fair value of financial instruments
The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

For financial instruments not traded in an active market, the fair value is determined using appropriate valuation techniques. Such techniques may include: using recent arm's length market transactions; reference to the current fair value of another instrument that is substantially the same; a discounted cash flow analysis; or other valuation models.

Current versus non-current classification
Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into current and non-current portions based on an assessment of the facts and circumstances (e.g. the underlying contracted cash flows).
- Where the Group will hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the reporting date, the derivative is classified as non-current (or separated into current and non-current portions) consistent with the classification of the underlying item.
- Embedded derivatives that are not closely related to the host contract are classified consistent with the cash flows of the host contract.

l) Inventory
Inventories, other than inventories held for trading purposes, are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and comprises direct purchase costs, cost of production, transportation and manufacturing expenses. Borrowing costs are not included in the cost of inventory.

Net realisable value of petroleum products is based on the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs incurred in the normal course of business in bringing each product to its present location and condition.

Any write-off is recognised when the probable realisable value is lower than the net book value.

With respect to inventories held for trading purposes, the Group accounts for them at fair value less costs to sell and any changes in value are recognised in profit or loss. Trading activities include optimisation of the Group's supply cycle and the supply of petroleum products to

business-to-business and wholesale clients. Further details are provided in Note 17.

m) Leases
The Group as lessee
The Group recognises a right-of-use asset and a lease liability at the lease commencement date. Both are presented as separated items in the statement of financial position under the note 15 and the note 24.

The right-of-use assets is measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimated of costs for dismantling less any lease incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability (ex: escalations). At implementation of the norm, we included any lease prepayment pending to amortise as of 31st December 2018 in the right-of-use.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery, vehicles, vessels and IT and office equipment that have a lease term of 12 months or less and any kind of leases nature when low-value assets are concerned. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as lessor
When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group net investment outstanding in respect of the leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies IFRS 15 to allocate the consideration in the contract.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are subtracted from lease on a straight-line basis over the lease term.

The accounting policies applicable to the Group as a lessor in the comparative period were not different from IFRS 16. However, when the Group was an intermediate lessor the sub-leases were classified with reference to the underlying asset.

n) Cash and short-term deposits
Cash and short-term deposits in the consolidated statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits as defined above.

o) Provisions
Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation

at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

p) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duty. Revenue is reduced for estimated customer returns, discounts and other similar allowances. The Group assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Group has concluded that it is acting as a principal in all of its revenue arrangements. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods.

Rendering of services

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract. The stage of completion of the contract is determined as follows:

- Servicing fees included in the price of products sold are recognised by reference to the proportion of the total cost of providing the servicing for the product sold.
- Revenue from time and material contracts is recognised at the contractual rates as labour hours and direct expenses are incurred.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

q) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amounts are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income. Current income tax relating to items recognised in other comprehensive income is also recognised in other comprehensive income and not in profit or loss.

Deferred tax

Deferred tax assets and liabilities are recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date and for operating loss and tax credit carry forwards. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The effect on deferred tax assets and liabilities of changes in tax rates is recognised in profit or loss in the period of the enactment of the change in tax rates.

Tax exposure

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax

positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities and such changes to tax liabilities will impact tax expense in the period that such a determination is made.

r) Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for cash (cash-settled transactions). Cash-settled share based payments result in recognition of a liability, which is an obligation to make a payment in cash or other assets, based on the price of the underlying equity instrument.

Employee services received in a cash-settled share based payment are measured indirectly at the fair value of the liability at the grant date. The initial measurement of the liability is based on the fair value of the underlying instrument. Market and non-vesting conditions are taken into account in determining the fair value of the liability.

At each reporting date, and ultimately at the settlement date , the fair value of the recognised liability is re-measured so that the ultimate liability equals the cash payment on settlement date. Re-measurements during the vesting period are recognised immediately to the extent that they relate to future services. Re-measurements after the vesting period are recognised immediately.

3. Significant accounting judgements, estimates and assumptions

The preparation of the Group consolidated financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, as well as the contingent liabilities at the date of the consolidated financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events. Changes in these assumptions may materially affect the consolidated financial position or performance reported in future periods.

Impairment of assets

In accordance with IAS 36 *Impairment of Assets*, the Group performs an assessment at each reporting date to determine whether there are any indications of impairment at each reporting date. If indications of impairment exist, an impairment test is performed to assess the recoverable amount of the assets.

Goodwill impairment

Determining whether goodwill is impaired requires an estimation of the value in use of the CGUs to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the CGU, and a suitable discount rate, in order to calculate present value. Details of the Group goodwill impairment assessment at 31 December 2021 and 2020 are described in Note 16.

Useful lives of intangible assets and property and equipment

Intangible assets and property and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets. The useful lives are estimated by management at the time the assets are acquired and are reassessed annually, with the estimated useful lives being based on historical experience with similar assets, market conditions and future anticipated events.

Provision for expected credit losses

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting. The Group has established a provision matrix that is based on its historical credit loss experience date (taking into account the ageing of trade receivables, and geographical risk as a proxy for counterparty risk), adjusted for forward-looking factors specific to the debtors and the economic environment.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Environmental costs

Costs associated with environmental remediation obligations are provided for when the Group has a present obligation and the provision can be reasonably estimated. Such provisions are adjusted as further information develops or circumstances change.

Recovery of deferred tax assets

Judgement is required in determining whether deferred tax assets should be recognised in the consolidated statement of financial position. Deferred tax assets, including those arising from unutilised tax losses, require management to assess the likelihood that the Group will generate sufficient taxable earnings in future periods, in order to utilise recognised deferred income tax assets. Assumptions about the generation of future taxable profits depend on management's estimates of future cash flows. These estimates of future taxable income are based on forecast cash flows from operations (which are impacted by production and sales volumes, oil and natural gas prices, reserves, operating costs, decommissioning costs, capital expenditure, dividends and other capital management transactions) and judgement about the application of existing tax laws in each jurisdiction.

To the extent that future cash flows impacting the taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the reporting date could be impacted. In addition, future changes in tax laws in the jurisdictions in which the Group operates could limit the ability of the Group to obtain tax deductions in future periods.

Contingencies
By their nature, contingencies will only be resolved when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Determination of fair values in business combinations
The Group has applied estimates and judgements to determine the fair value of assets acquired and liabilities and contingent liabilities assumed by way of a business combination. The value of assets, liabilities and contingent liabilities recognised at the acquisition date are recognised at fair value. In determining fair value the Group has utilised valuation methodologies including discounted cash flow analysis market value assessments or replacement value by third parties for, in particular, acquired property and equipment. The market value of property and equipment is the estimated amount for which a property could be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's length. The assumptions made in performing these valuations include assumptions as to discount rates, foreign exchange rates, commodity prices, the timing of development, capital costs, and future operating costs. Any significant change in key assumptions may cause the acquisition accounting to be revised including the recognition of additional goodwill or a discount on acquisition.

4. Significant events

Disposal of assets and investments
In March 2021 the Company has completed the disposal of its fuel storage and distribution operations in Congo DRC (West) by selling its investment in the company Societe Petroliere de Stockage du Ango-Ango-Cobil Sarl.

Also in March 2021 the Company signed a disposal agreement for the sale of its assets related to its fuel storage terminal in Abidjan, Ivory Coast. The transaction completed in September 2021.

In April 2021 the Company signed a disposal agreement for the sale of its shareholding in Puma Energy Pakistan (Private) Limited. The transaction completed in December 2021.

In June 2021 the Company signed a disposal agreement for the sale of its shareholding in Société Pétrolière du Congo Sàrl. The transaction completed in July 2021.

Revolving Credit Facility refinancing
In April 2021, the Group refinanced its 1-year Revolving Credit Facilities. Total liquidity available under these financing facilities amounts to US$ 606.5million.

Subscription of rights issue
The rights issue approved at an Extraordinary General Meeting of the Company held on 18th February and launched on 8th March 2021 was subsequently subscribed for by Trafigura and a small number of minority shareholders for a total of US$ 500m. The rights issue was implemented by way of a convertible instrument under which payment was made by subscribers on 21st April 2021 to Puma Energy and the shares have been allocated to subscribers. Following this transaction, the shareholding the Trafigura group increased to 72.8 percent as at 30 September 2021.

Purchase of Sonangol shareholding by Trafigura
On the 16th of April 2021 our largest shareholder, Trafigura, agreed to purchase from Sonangol its entire shareholding in Puma Energy for the sum of US$ 600m. The transaction completed in December 2021 following regulatory approvals. As a result of these transactions, Trafigura's shareholding in Puma Energy increased to 93.3%. Sonangol no longer holds shares in Puma Energy nor has representation on the Company's Board.

Sale of strategic assets in Angola to Sonangol
On the 16th of April 2021 Puma Energy agreed the sale of its Angolan business and assets to Sonangol for the sum of US$ 600m. This includes the acquisition of the Pumangol retail network of service stations, airport terminals and marine terminals. The transaction completed in December 2021 following regulatory approvals.

Change in minority shareholding
On 27 December 2021 Cochan Holdings LLC ceased to be a shareholder in Puma Energy Holdings Pte Ltd. Trafigura group companies now hold 96.6% of the shares in Puma Energy.

5. Changes in accounting standards

New and amended standards and interpretations
In 2021, the Group adopted the following new or amended standards and interpretations for the first time:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 – *Interest Rate Benchmark Reform – Phase 2* (effective for annual periods on or after 1 January 2021)
- Amendment to IFRS 16 – *Covid-19-Related Rent Concessions* (effective for annual periods on or after 1 June 2021)

Standards issued but not yet effective
The standards and interpretations that have been issued or amended but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt the following standards, interpretations and amendments when they become effective, to the extent they are relevant to the Group.

- Amendments to IAS 1 – *Classification of Liabilities as Current or Non-current (including Amendment to IAS 1 – Classification of Liabilities as Current or Non-current –)* (effective for annual periods on or after 1 January 2023)
- Amendments to IAS 37 – *Onerous Contracts: —Cost of Fulfilling a Contract* (effective for annual periods on or after 1 January 2022)
- Amendments to IAS 16 – *Property, Plant and Equipment: Proceeds before Intended Use* (effective for annual periods on or after 1 January 2022)
- AIP (2018-2021 cycle): *IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a First-time Adopter* (effective for annual periods on or after 1 January 2022)
- AIP (2018-2021 cycle): *IFRS 9 Financial Instruments – Fees in the '10 per cent' Test for Derecognition of Financial Liabilities* (effective for annual periods on or after 1 January 2022)
- AIP (2018-2021 cycle): *IAS 41 Agriculture – Taxation in Fair Value Measurements* (effective for annual periods on or after 1 January 2022)
- Amendments to IFRS 3 – *Reference to the Conceptual Framework* (effective for annual periods on or after 1 January 2022)

The adoption of these issued or amended standards and interpretations is not expected to have a material impact on the consolidated financial position or performance of the Group.

6.1 Business combinations and acquisition of non-controlling interests

6.1a Subsidiaries acquired in 2021

There were no new subsidiaries acquired in 2021.

6.1b Subsidiaries acquired in 2020

Subsidiaries acquired	Principal activity	Date of acquisition	Proportion of voting equity interests acquired %
Kotka Tank Storage Oy, Finland	Fuel storage	24.11.2020	50.1%

6.2 Assets and liabilities recognised at date of acquisition

6.2a There were no businesses acquired during 2021.

6.2b Assets and liabilities recognised at date of acquisition in 2020

The fair value of the identifiable assets and liabilities of the entities acquired at the date of acquisition was:

in US$'000	**Midstream segment**
Assets	
Property and equipment	412
Right-of-use	2,284
Other current assets	3
Liabilities	
Trade and other payables	(36)
Total identifiable net assets acquired at fair value	**2,663**
Non-controlling interest measured at the proportionate share of the acquiree's net assets	(133)
Net assets acquired	**2,530**
Purchase consideration	**2,530**

6.3 Cash flow on acquisitions

6.3a There were no businesses acquired during 2021.

6.3b

in US$'000	**Midstream segment**
Purchase consideration	**2,530**
Net cash outflow	**(2,530)**

6.4 Pro forma impact of acquisitions on the results of the Group

6.4a There were no businesses acquired during 2021 with a material impact on sales and operating profit of the Group.

6.4b There were no businesses acquired during 2020 with a material impact on sales and operating profit of the Group.

6.5 Non-controlling interests acquired

6.5a Non-controlling interests acquired in 2021

in US$'000	Midstream segment	Downstream segment	**Total**
Increase/(decrease) in non-controlling interests	**11,704**	**(63,421)**	**(51,717)**
Less: increase/(decrease) in non-controlling interests due to divestment of subsidiaries(i)	(11,704)	3,964	(7,740)
Increase/(decrease) in non-controlling interests, other (ii)	**–**	**(59,457)**	**(59,457)**
Change in retained earnings from non-controlling interest purchased		(59,692)	(59,692)
Assets received		10,235	10,235
Purchase consideration		**10,000**	**10,000**

(i) Movement in the non-controlling interest linked to the divestment of Pakistan (downstream), Congo DRC and Ivory Coast (Midstream)
(ii) Includes the repurchase of 20% stake in Puma Energy Asia Sun Co. Limited, the sale of a 30% stake in Puma Energy South Africa (Pty) Ltd and other acquisitions of non-controlling interests in different Ghana companies.

6.5b Non-controlling interests acquired in 2020

There were no non-controlling interest acquired during 2020.

6.6 Sale of assets and investments

6.6a Sale of assets and investments in 2021

In 2021 the company disposed of its fuel storage and distribution operations in Congo DRC (West), Congo DRC (East), the Bedworth terminal in the United Kingdom, the Abidjan terminal in the Ivory Coast, an unused plot of land in Nigeria and some additional asset divestments in various countries. On the 16th December 2021 the Group disposed its full operations in Angola and the 22nd December 2021 in Pakistan.

The impact of these transactions is presented in the table below.

in US$'000	Downstream	Midstream	Consolidated
Assets			
Cash and cash equivalents	107	161,517	161,624
Inventories	264	49,325	49,588
Receivables	4,694	92,045	96,739
Property and equipment	38,895	216,376	255,271
Goodwill and intangible assets	(52)	26,039	26,986
Right-of-use	–	12,629	12,629
Other long term assets	278	262	539
Assets previously classified as held for sale	–	6,469	6,469
Liabilities			
Trade and other payables	(3,846)	(109,258)	(113,105)
Other current liabilities	(1,247)	(28,411)	(29,658)
Non-current liabilities	(25,299)	(57,855)	(83,154)
Total net assets disposed of	**13,795**	**369,137**	**382,930**
CTA reclassified to profit and loss	(7,142)	(373,101)	(380,243)
Gain on assets transferred	(6,530)	(1,275,840)	(1,282,370)
Transaction costs	(16,222)	(27,696)	(43,918)
Sales proceeds	44,321	654,777	699,097
Loss on investment disposal	**14,426**	**(1,021,860)**	**(1,007,434)**
Sales proceeds	44,321	654,784	699,104
Paid transaction costs	(5,498)	(14,000)	(19,498)
Cash on deconsolidated perimeter	(107)	(161,517)	(161,624)
Net cash inflow	**38,715**	**479,266**	**517,982**

6.6b Sale of assets and investments in 2020

On the 30th June 2020 the Group disposed of its commercial and retail fuels business in Australia and on the 31st December 2020 of the aviation refuelling operations in Yuzhny Airport, Rostov-on-Don, Russia. On 29th December 2020 we have also received the outstanding amount related to our Paraguay activities divested in 2019. The impact of these transactions is presented in the table below.

in US$'000	Downstream
Assets	
Cash and cash equivalents	(15,671)
Inventories	(74,062)
Receivables	(88,841)
Property and equipment	(207,319)
Goodwill and intangible assets	(61,015)
Right-of-use	(395,684)
Other long term assets	(18,959)
Liabilities	
Trade and other payables	154,579
Other current liabilities	42,526
Non-current liabilities	393,215
Total net assets disposed of	**(271,231)**
CTA reclassified to profit and loss	(87,394)
Gain on assets transferred	1,810
Transaction costs	(16,101)
Sales proceeds	315,693
Loss on investment disposal	**(57,223)**
Sales proceeds	315,693
Proceeds received on prior year transaction	45,378
Paid transaction costs	(16,032)
Cash on deconsolidated perimeter	(15,671)
Net cash inflow	**329,368**

7. Leases

As a lessee

The Group as lessee has more than 1,000 leases of different natures, not all qualifying for IFRS16 treatment and mostly related to:

- Lands: either for service stations, terminals or office buildings.
- Services stations: the lease comprises a mix of land, building and equipment on the site.
- Storage capacity for fuel and bitumen inventory.
- Buildings, mainly office space and shops in service stations.
- Vessels for bitumen transport.

In addition, the Group leases some equipment and machinery, mainly for our terminals, as well some cars and IT and office equipment.

In US$'000	**2021**	2020 restated
Amortization expense of right-of-use assets	**(107,007)**	(101,741)
Interest expense on lease liabilities	**(37,133)**	(45,048)
Expense relating to short-term lease	**(8,241)**	(7,890)
Expense relating to leases of low-value assets	**(1,143)**	(846)
Variable lease expenses (recognised in cost of goods sold)	**(26,450)**	(28,056)
Variable lease expenses (selling and operating expenses)	**(816)**	(698)
Variable lease expenses (recognised in general and administrative exp.)	**(6,421)**	(979)

Variable payments

It is frequent to have variable payments for terminal leases based in volume of the terminal used (throughput), as well as a variable lease payments for service stations leases based on volumes sold. These are considered as variable payments and recognised in the income statement under cost of goods sold.

Short-term leases and low-value assets

The Group applies the short-term lease recognition exemption to leases of machinery, vehicles, vessels and IT and office equipment whenever they have a lease term of 12 months or less. It also applies the low-value recognition exemption to leases of any nature that are considered low-value: leased assets below $5,000. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. The amount of lease expense recognised in the statement of profit or loss under short-term recognition exemption is US$ 8.2 million (2020: US$ 7.9 million), and the amount of lease expense under low-value recognition exemption is US$ 1.1 million (2020: US$ 0.8 million).

As a lessor

The Group does not have any material financial lease. Concerning operational leases, the Group leases or subleases out to third and related parties some of its owned terminals' capacity, jetty rights, services stations and office space. The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

in US$'000	**2021**	2020 restated
Operating Lease income	**62,682**	75,953
Thereof sublease income	**13,833**	12,641

8. Segment and geographic information

8.1 Segment information

For management purposes, the Group is organised into business units based on products and services and has two reportable segments as follows:

- Midstream business activities that include refining and storage of oil and gas products internationally.
- Downstream business activities that include distribution, wholesale and retail sales of refined products.

No operating segments have been aggregated to form the above reportable operating segments.

The Group Executive Committee monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements. However, Group financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments. Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Year ended 31 December 2021

in US$'000	Downstream	Midstream	**Consolidated**
Revenue from contracts with customers	10,737,679	233,553	10,971,232
Gross profit	**850,524**	**148,083**	**998,607**
Selling and operating costs(i)	(618,701)	(130,583)	(749,284)
General and administrative expenses	(127,825)	(8,936)	(136,761)
Other operating income/(expenses), net	(1,097,386)	40,920	(1,056,466)
Share of net profits of associates	2,606	–	2,606
Operating loss	**(990,782)**	**49,484**	**(941,298)**
Finance income			12,428
Finance costs			(214,463)
Net foreign exchange losses			(26,763)
Loss before tax from continuing operations			**(1,170,096)**
Total non-current assets (excluding other financial, deferred tax and other assets)	1,737,257	145,180	1,882,437
Total current assets	2,230,861	135,824	2,366,685
Total current liabilities	2,816,513	68,069	2,884,582

(i) Selling and operating costs include:
- Depreciation and amortisation of US$ 277.1 million thereof US$ 234.9 million on the Downstream and US$ 42.2 million on the Midstream segment.
- Impairment charge of US$ 98.0 million thereof US$ 97.0 million on the Downstream and US$ 1.0 million on the Midstream segment.

Year ended 31 December 2020 (Restated)

in US$'000	Downstream	Midstream	**Consolidated**
Revenue from contracts with customers	**7,999,737**	**157,587**	**8,157,324**
Gross profit	**1,010,202**	**80,856**	**1,091,058**
Selling and operating costs(ii)	(624,091)	(275,856)	(899,947)
General and administrative expenses	(141,148)	(7,489)	(148,637)
Other operating income/(expenses), net	(97,415)	17,484	(79,931)
Share of net profits of associates	6,283	–	6,283
Operating profit / (loss)	**153,831**	**(185,005)**	(31,174)
Finance income			19,422
Finance costs			(232,301)
Net foreign exchange losses			(49,397)
Profit before tax			**(293,450)**
Total non-current assets (excluding other financial, deferred tax and other assets)	2,726,672	504,255	3,230,927
Total current assets	2,159,130	85,822	2,244,952
Total current liabilities	3,237,518	162,636	3,400,154

(ii) Selling and operating costs include:
- Depreciation and amortisation of US$303.0 million thereof US$ 232.4 million on the Downstream and US$ 70.6 million on the Midstream segment.
- Impairment charge of US$238.7 million thereof US$103.7 million on the Downstream and US$ 134.9 million on the Midstream segment.

Selling and operating costs and general and administrative expenses that are not specifically linked to a segment operating entity are allocated on a pro-rata basis according to the relative weighting of gross profit for each segment.

Finance income/(costs), net foreign exchange losses and income tax expenses are not allocated as they do not relate to a specific segment and are managed on a Group basis. These accounts do not form part of the review of the operating segment performance monitored by management.

Previous year figures have been restated for the new perimeter of discontinued operations as per IFRS 5.

8.2 Geographic information

The Group is organised in four main regions:

- Americas (mainly composed of Latin America and Caribbean)
- Asia-Pacific (including Middle East and Australia)
- Africa
- Europe (including Russia)

	2021		2020	
in K m^3 (unaudited)	**Downstream**	**Midstream**	Downstream	Midstream
Throughput volumes (Midstream)				
Americas	–	639	–	478
Asia-Pacific	–	376	–	946
Africa	–	5,054	–	3,762
Europe	–	433	–	631
Total	–	**6,502**	–	**5,817**
Sales volumes (Downstream and Midstream)				
Americas	8,493	–	8,292	–
Asia-Pacific	2,498	74	3,090	82
Africa	6,386	–	6,119	–
Europe	346	–	211	–
Total	**17,723**	**74**	**17,712**	**82**

Year ended 31 December 2021

in US$'000	Americas	Asia-Pacific	Africa	Europe	Consolidated
Revenue from contracts with customers	4,807,162	1,688,143	4,284,287	191,640	10,971,232
Gross profit	**469,794**	**179,451**	**333,274**	**16,088**	**998,607**
Selling and operating costs	(259,415)	(243,294)	(233,875)	(12,700)	(749,284)
General and administrative expenses	(40,661)	(20,212)	(75,419)	(469)	(136,761)
Other operating income/(expenses), net	(10,163)	(1,474)	(1,036,067)	(8,762)	(1,056,466)
Share of net profits of associates	1,897	289	395	25	2,606
Operating profit/(loss)	**161,452**	**(85,240)**	**(1,011,692)**	**(5,818)**	**(941,298)**
Total non-current assets (excluding other financial, deferred tax and other assets)	715,521	609,507	551,317	6,092	1,882,437

Year ended 31 December 2020 (Restated)

in US$'000	Americas	Asia-Pacific	Africa	Europe	Consolidated
Revenue from contracts with customers	3,275,784	1,443,138	3,346,191	92,211	8,157,324
Gross profit	**503,831**	**170,689**	**382,224**	**34,314**	**1,091,058**
Selling and operating costs	(358,847)	(147,479)	(369,806)	(23,815)	(899,947)
General and administrative expenses	(40,687)	(24,517)	(82,282)	(1,151)	(148,637)
Other operating income/(expenses), net	(3)	(53,509)	(25,143)	(1,276)	(79,931)
Share of net profits of associates	1,514	287	4,448	34	6,283
Operating profit/(loss)	**105,808**	(54,529)	(90,559)	**8,106**	(31,174)
Total non-current assets (excluding other financial, deferred tax and other assets)	1,027,635	907,657	999,923	295,712	3,230,927

Selling and operating costs and general and administrative expenses that are not specifically linked to an operating region are allocated on a pro-rata basis according to the relative weighting of gross profit for each region.

The Group has no material commercial operations and no material non-current assets in its country of incorporation, Singapore.

Non-current assets for this purpose consist of investments in associates, property and equipment, intangible assets and goodwill (Notes 9, 13 and 14).

Previous year figures have been restated for the new perimeter of discontinued operations as per IFRS 5.

9. Investments in associates

The following table summarises the Group's investments in associates for the years ended 31 December 2021 and 2020. None of the entities included below is listed on any public exchange.

9.1 List of investments

Associate name	Activity	Location	Proportion of voting interests held at 31 December 2021 %	2020 %
Empresa Cubana de Gas	Fuel marketing	Caribbean	50%	50%
Puma Energy Belfast Ltd(i)	Storage	United Kingdom	50%	50%
Sakunda Petroleum (Pvt) Ltd	Fuel marketing	Zimbabwe	49%	49%
Bitumen Storage Services (WA) Pty Ltd (Australia)	Storage	Australia	50%	50%
RAM Petroleum (Pvt) Ltd	Fuel supply	Zimbabwe	48%	48%
High Heat Tankers Pte. Ltd.	Shipping of high heat liquid products	Singapore	50%	50%

(i) Considered as part of discontinued operations

9.2 Associates summarised financial information

The following table illustrates summarised financial information of the Group's investments in associates:

in US$'000	2021	2020
Associates' assets and liabilities		
Current assets	67,870	66,305
Non-current assets	61,349	68,334
Current liabilities	(54,747)	(48,239)
Non-current liabilities	(56,903)	(59,622)
Equity	**17,569**	**26,778**
Total carrying amount of the investments	**22,313**	**19,669**
Less: discontinued operations	–	–
Carrying amount of the investments	**22,313**	**19,669**
Associates' revenues and net profits:		
Revenues(i)	76,095	218,786
Profits net of tax	(12)	8,958
Total group's share of net profits of associates	**2,039**	**4,529**
Less: discontinued operations	(567)	(1,754)
Group's share of net profits of associates	**2,606**	**6,283**

(i) Revenues from associate High Heat Tankers in 2020 has been restated to comply with its qualification as an agent as per IFRS15.

10. Consolidated statement of income

10.1 Net sales

in US$'000	2021	2020 restated
Net sales of goods(i)	13,374,950	10,595,735
Rendering of services	303,763	399,930
Total revenue from contracts with customers	**13,678,713**	**10,995,665**
Less: discontinued operations	2,707,481	2,838,341
Revenue from contracts with customers from continuing operations	**10,971,232**	**8,157,324**

(i) Sales of goods are net of any sales taxes, value-added taxes, petroleum taxes and discounts.

10.2 Selling and operating costs

in US$'000	2021	2020 restated
Employee benefit expenses(i)	(143,273)	(166,498)
Operating expenses(i)	(262,983)	(269,041)
Depreciation (Note 13)	(174,746)	(231,304)
Amortisation (Note 14)	(25,754)	(26,177)
Amortisation of lease right-of-use	(117,696)	(128,811)
Impairment (Notes 13/14)(ii)	(98,532)	(238,627)
Impairment assets right-of-use	(868)	(3,415)
Total selling and operating costs	**(823,852)**	**(1,063,873)**
Less: discontinued operations	(74,568)	(163,926)
Selling and operating costs from continuing operations	**(749,284)**	**(899,947)**

(i) Following new classification for some expenses in 2021, the group have reclassified $1M from operating expenses into employee benefit expenses.
(ii) The line impairment includes the write-down of various tangible and intangible assets in the downstream segment following the yearly impairment testing process (Note 16).

10.3 General and administrative expenses

in US$'000	2021	2020 restated
Employee benefit expenses(i)	(99,682)	(104,067)
Operating expenses(i)	(43,091)	(54,994)
Total general and administrative expenses	**(142,773)**	**(159,061)**
Less: discontinued operations	(6,012)	(10,424)
General and administrative expenses from continuing operations	**(136,761)**	**(148,637)**

(i) Following new classification for some expenses in 2021, the group have reclassified $3M from operating expenses into employee benefit expenses.

10.4 Other operating income/(expenses)

in US$'000	2021	2020 restated
Gains on disposal of operating assets	2,539	3,146
Gains on disposal of investments	508	–
Total other operating income	**3,047**	**3,146**
Less: discontinued operations	1,701	(481)
Other operating income from continuing operations	**1,346**	**3,627**

in US$'000	2021	2020 restated
Loss on disposal of assets	–	(1,402)
Loss on disposal of investments(i)	(1,007,210)	(56,811)
Provision for doubtful accounts	(1,736)	(4,073)
Movements in other provisions	(14,191)	(7,719)
Other operating expenses(ii)	(44,176)	(11,828)
Foreign exchange losses on operations	(48)	(4,132)
Total other operating expenses	**(1,067,361)**	**(85,965)**
Less: discontinued operations	(9,549)	(2,407)
Other operating expenses from continuing operations	**(1,057,812)**	**(83,558)**

(i) 2021 includes the impact of Angola, Pakistan, DR Congo and Ivory Coast storage operations. 2020 includes the impact of Australia fuels operations. It includes translation recycling on Angola divestment for $1,275M
(ii) 2021 comprises mainly provisions for tax and other risks. 2020 Includes the value of the US$(10.3) million write-off of insurance receivable in Puerto Rico.

10.5 Finance income

in US$'000	2021	2020 restated
Interest income on loans to third parties	11,660	12,587
Interest income on loans to related parties	654	2,826
Bond buy-back	–	4,044
Dividend income	2,374	1,686
Total finance income	**14,688**	**21,143**
Less: discontinued operations	2,260	1,721
Finance income from continuing operations	**12,428**	**19,422**

10.6 Finance costs

in US$'000	2021	2020 restated
Interest on loans and borrowings from third parties	(143,155)	(177,131)
Interest on loans and borrowings from related parties	(40,644)	(21,291)
Loss on hyperinflation	(169)	(1,175)
Interest on lease liability	(41,778)	(56,889)
Unwinding of discount	(3,493)	(1,099)
Other financial costs	3,109	(706)
Total finance costs	**(226,130)**	**(258,291)**
Less: discontinued operations	(11,667)	(25,990)
Finance costs from continuing operations	**(214,463)**	**(232,301)**

10.7 Net foreign exchange gains/(losses)

in US$'000	2021	2020 restated
Financial FX gains/(losses)	(38,456)	(47,152)
Net gain/(loss) on FX derivatives	10,502	(3,793)
Net foreign exchange gains/(losses)	**(27,954)**	**(50,945)**
Less: discontinued operations	(1,191)	(1,548)
Net foreign exchange gains/(losses) from continuing operations	**(26,763)**	**(49,397)**

11. Income tax

11.1 Current income tax expense

The major components of income tax expense for the years ended 31 December 2021 and 2020 were:

in US$'000	2021	2020 restated
Current income tax		
Current income tax charge	92,136	55,467
Adjustments in respect of current income tax of previous year	6,805	2,173
Provision for tax contingencies		–
Current income tax	**98,940**	**57,640**
Deferred tax		
Relating to origination and reversal of temporary differences	(5,092)	(2,052)
Withholding tax		
Applicable withholding tax in the current year	2,017	2,055
Income tax expense reported in the consolidated statement of income	**95,867**	**57,643**

11.2 Income tax recognised directly in other comprehensive income

Income tax totalling US$(0.4) million (2020: US$(0.4) million) was recognised directly in other comprehensive income. The entire amount recognised is related to the actuarial losses recognised during the year from the Group's various defined benefit plans.

11.3 Reconciliation of accounting profit to income tax expense

The Group's effective tax rate differs from the Company's statutory income tax rate in Singapore, which was 17% in 2021 (2020: 17%) due to the Group operating in several jurisdictions. A reconciliation between tax expense and the product of accounting profit multiplied by the Group's statutory blended income tax rate of jurisdictions the Group operates in for the years ended 31 December 2021 and 2020 was as follows:

in US$'000	2021	2020 restated
Accounting (loss) before income tax	**(1,170,096)**	**(293,450)**
Share of net profits in associates	2,606	6,283
Accounting (loss) before tax net of share of net profits in associates	**(1,172,702)**	**(299,733)**
Income tax (expense)/benefit at expected statutory rate	32,001	20,439
Permanent differences		
Non-deductible expenses	(16,575)	(15,982)
Other non–taxable income	4,925	5,738
Capital gains or losses	(616)	(363)
Income exempt or subject to specific tax holidays(i)	(1,546)	2,717
Other permanent differences	(29,398)	(30,833)
Adjustment for countries not based on net taxable income	4,533	1,705
Adjustments recognised in the current year in relation to current income tax of previous years	(6,804)	(1,900)
Adjustments recognised in the current year in relation to deferred income tax of previous years	(2,161)	(6,231)
Impact of rate differences on deferred tax items	1,219	9
Effect of unrecognised and unused tax losses not recognised as deferred tax assets	(43,435)	(29,555)
Withholding tax	(2,017)	(2,054)
Minimum tax and surtax	(5,574)	(4,886)
Rate difference impacts	313	3,136
Other adjustments(ii)	(30,729)	416
At the effective income tax rate of -8.2% (2020: -20%)	**(95,867)**	**(57,643)**

(i) Income exempt or subject to specific tax holidays is mainly the result from tax–specific incentives granted by certain national authorities to the Group given certain investments made by the Group that resulted in the development of local infrastructure.
(ii) Includes provision created on UTP (uncertain tax position) related to Transfer Pricing.

The Group operates in a multitude of jurisdictions and adheres to applicable local and international tax law in the countries in which it operates, including legislation on transfer pricing. The Group's tax policy is to pay appropriate tax according to work carried out in each jurisdiction, as determined by a functional analysis of operations using standard measures wherever possible, underpinned by reports prepared to fulfil local transfer pricing requirements. The Group's effective tax rate – the average rate at which consolidated pre-tax profits are taxed – varies from year to year according to circumstances, but for 2021 it was – 8.5% (Excluding discontinued entities ETR is – 8.2%. In 2020: -20%). The difference in effective tax rate between the two years is explained, by non-recognition of deferred tax assets relating to tax loss carry forwards.

11.4 Current tax assets and liabilities

Current income taxes are computed on the profit presented in the consolidated statement of income, adjusted to taxable profit in accordance with local tax legislation. Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities.

11.5 Deferred tax assets and liabilities

in US$'000	Consolidated statement of financial position 2021	Consolidated statement of financial position 2020	Consolidated statement of income 2021	Consolidated statement of income 2020 restated
Accelerated depreciation for tax purposes	(19,419)	(19,148)	1,729	(2,936)
Revaluations	(17,120)	(16,296)	(1,890)	(4,294)
Losses	78,041	71,835	(20,574)	(24,018)
Other temporary differences	(32,644)	(31,115)	15,645	29,196
Deferred tax expense/(income)			**(5,092)**	(2,052)
Deferred tax assets/(liabilities), net	**8,858**	5,276		
Reflected in the consolidated statement of financial position as follows:				
Deferred tax assets	59,184	49,924		
Deferred tax liabilities	(50,326)	(44,648)		
Deferred tax assets/(liabilities), net	**8,858**	5,276		

Reconciliation of net deferred tax assets/(liabilities)

in US$'000	2021	2020
Opening balance at 1 January	5,276	1,387
Deferred tax income recognised in profit or loss during the year for continuing operations	5,092	2,052
Deferred tax income recognised in profit or loss during the year for discontinuing operations	2,185	
Change in tax rate recognised in profit or loss during the year	–	–
Other movements during the year	33	1,837
Less: net deferred tax assets/(liabilities) associated to assets held for sale	(3,728)	–
Closing balance at 31 December	8,858	**5,276**

At 31 December 2021, the Group had unrecognised tax loss carry forwards amounting to US$ 573.9 million (2020: US$543.8million).

These losses relate to subsidiaries that have had historical losses, which have an expiry date of more than four years. These losses may not be used to offset taxable income elsewhere in the Group and where the subsidiaries have no taxable temporary differences nor any tax planning opportunities available that could partly support the recognition of these losses as deferred tax assets.

At 31 December 2021, the Group had unrecognised other temporary differences amounting to US$1.8million (2020: US$1.7million). These temporary differences have no expiry date. If the Group was able to recognise all unrecognised deferred tax assets, profit would increase by US$ 119.9million (2020: US$113.6million).

11.6 IFRIC 23 – Uncertainty over income tax treatment

The interpretation addresses the accounting for income taxes when tax treatments involve uncertainty that affects the application of IAS 12 Income Taxes. Due to its global reach, including operating in high-risk jurisdictions, the Group is subject to enhanced complexity and uncertainty, which may lead to uncertain tax treatments and the corresponding recognition and measurement of current and deferred taxes. The judgements and estimates made to separately recognise and measure the effect of each uncertain tax treatment are re-assessed whenever circumstances change or when there is new information that affects those judgments. The Group has re-assessed its global tax exposure and the key estimates taken in determining the positions recorded to adopt IFRIC 23. As of 1 January 2021, the global tax exposure has been determined by referencing to the uncertainty that the tax authority may not accept the Group's proposed treatment of tax positions. The interpretation does not have a material impact on the Group.

12. Discontinued operations and assets held for sale

In December 2019 the company announced the sale of its Australian commercial and retail fuels business. The operation was part of the Downstream segment and the Asia-Pacific region of the group. The transaction was completed on 30th June 2020. The operation has been classified as a disposal group held for sale for the first six month of 2020.

Throughout 2021 the management of the Group is in current negotiation of the divestment of Group's Infrastructure business, which comprises 30 maritime terminals across the group as well as United Kingdom operations. This transaction has as objective to simplify operations and contribute to the deleveraging of the Group. This transaction is expected to be completed in 2022 and has been classified as a disposal group held for sale for 2021 and 2020.

In addition, the following assets have been declared as held for sale: the rest of Group operations in Ivory Coast, mainly concerning distribution, Nigeria and Vietnam bitumen operations as well as Russia storage. All these assets are available for immediate sale and discussions with specific buyers are at an advanced stage with the sale expected to occur within the next 12 month. These assets have been classified as held for sale on the balance sheet of the Group for 2021 but are not ring-fenced as discontinued operations on the statement of income due to their limited size when compared to the total Group or the geographies and business units which they form part of.

12.1 Statement of income from discontinued operations

in US$'000	2021	2020 restated
Revenue from contracts with customers	2,707,481	2,838,341
Cost of sales	(2,577,474)	(2,629,278)
Gross profit	**130,007**	**209,063**
Selling and operating costs	(74,568)	(163,926)
General and administrative expenses	(6,012)	(10,424)
Other operating income	1,701	(481)
Other operating expenses	(9,549)	(2,408)
Share of net profits and losses of associates	**(567)**	**(1,754)**
Operating profit	**41,012**	**30,069**
Finance income	2,260	1,721
Finance costs	(11,667)	(25,990)
Net foreign exchange gains/(losses)	(1,191)	(1,548)
Gain before tax	**30,414**	**4,252**
Income tax expense	(718)	(1,625)
Gain for the year from discontinued operations	**29,696**	**2,627**
Attributable to:		
Owners of the parent	25,892	(1,655)
Non-controlling interests	3,804	4,282

12.2 Net sales from discontinued operations

in US$'000	2021	2020 restated
Net sales of goods(i)	2,577,570	2,611,776
Rendering of services	129,911	226,565
Revenue from contracts with customers from discontinuing operations	**2,707,481**	2,838,341

(i) Sales of goods are net of any sales taxes, value-added taxes, petroleum taxes and discounts.

12.3 Selling and operating costs from discontinued operations

in US$'000	2021	2020 restated
Employee benefit expenses	(24,187)	(54,468)
Operating expenses	(8,276)	(27,091)
Depreciation (Note 13)	(30,387)	(55,438)
Amortisation (Note 14)	(54)	(765)
Amortisation of lease right-of-use	(10,689)	(27,071)
Impairment (Notes 13/14)	(975)	**905**
Selling and operating costs from discontinuing operations	**(74,568)**	**(163,926)**

12.4 General and administrative expenses from discontinued operations

in US$'000	2021	2020 restated
Employee benefit expenses	(3,524)	(5,378)
Operating expenses	(2,488)	(5,046)
General and administrative expenses from discontinuing operations	**(6,012)**	**(10,424)**

12.5 Other operating income/(expenses) from discontinued operations

in US$'000	2021	2020 restated
Gains/(losses) on disposal of assets	1,977	(481)
Foreign exchange losses on operations	(276)	–
Other operating income from discontinuing operations	**1,701**	**(481)**

in US$'000	2021	2020 restated
Provision for doubtful accounts	–	(305)
Movements in other provisions	81	(956)
Other non-operating expenses	(9,630)	(1,681)
Foreign exchange gains on operations	–	534
Other operating expenses from discontinuing operations	**(9,549)**	**(2,408)**

12.6 Finance income from discontinued operations

in US$'000	2021	2020 restated
Interest income third parties	2,260	1,721
Finance income from discontinuing operations	**2,260**	**1,721**

12.7 Finance costs from discontinued operations

in US$'000	2021	2020 restated
Interest on loans and borrowings from third parties	(3,874)	(3,596)
Interest on loans and borrowings from related parties	(2,749)	(9,960)
Lease financial costs	(4,645)	(11,842)
Unwinding of discount	(764)	(691)
Other financial costs	365	99
Finance costs from discontinuing operations	**(11,667)**	**(25,990)**

12.8 Net foreign exchange gains/(losses) from discontinued operations

in US$'000	2021	2020 restated
Financial FX gains/(losses)	263	(2,834)
Net gain/(loss) on FX derivatives	(1,454)	1,286
Net foreign exchange gains/(losses) from continuing operations	**(1,191)**	**(1,548)**

12.9 Statement of financial position from discontinued operations / assets held for sale

in US$'000	2021	2020
Assets		
Non-current assets		
Property and equipment	790,003	20,431
Intangible assets and goodwill	40,443	29
Right-of-use (IFRS16)	123,538	3,577
Investments in associates	99	–
Other financial assets	9,082	–
Deferred tax assets	3,728	–
Other assets	812	33
Total non-current assets	**967,705**	**24,070**
Current assets		
Inventories	100,655	19,428
Other assets	33,537	5,242
Income tax receivable	714	–
Trade receivables	84,975	3,780
Other financial assets	–	–
Cash and cash equivalents	21,713	341
Total current assets	**241,594**	**28,791**
Total assets held for sale	**1,209,299**	**52,861**
Non-current liabilities		
Interest-bearing loans and borrowings	2,366	1,449
Lease liabilities	120,436	3,416
Retirement benefit obligations	–	–
Other financial liabilities	801	1,142
Deferred tax liabilities	–	11
Provisions	33,454	330
Total non-current liabilities	**157,057**	**6,348**
Current liabilities		
Trade and other payables	133,487	14,592
Interest-bearing loans and borrowings	13,551	19,539
Lease liabilities	9,087	412
Other financial liabilities	1,465	–
Income tax payable	2,733	279
Provisions	1,008	1,917
Total current liabilities	**161,331**	**36,739**
Total liabilities	**318,388**	**43,087**
Net assets associated with the disposal group	**890,911**	**9,774**

12.10 Income statement 2020 restatement detail

Prior year consolidated income statement has been restated to exclude infrastructure business (Qualified as discontinued operation in 2021)

in US$'000	**2020**	**Restatement**	2020 Restated
Revenue from contracts with customers	9,943,649	1,786,325	8,157,324
Cost of sales	(8,738,931)	(1,672,665)	(7,066,266)
Gross profit	**1,204,718**	**113,660**	**1,091,058**
Selling and operating costs	(970,860)	(70,913)	(899,947)
General and administrative expenses	(154,341)	(5,704)	(148,637)
Other operating income/(Expenses)	3,146	(481)	3,627
Other operating expenses	(84,153)	(595)	(83,558)
Share of net profits and losses of associates	4,263	(2,020)	6,283
Operating profit/(loss)	**2,773**	**33,947**	**(31,174)**
Finance income	21,134	1,712	19,422
Finance costs	(247,140)	(14,839)	(232,301)
Net foreign exchange losses	(50,924)	(1,527)	(49,397)
Loss before tax	**(274,157)**	**19,293**	**(293,450)**
Income tax expense	(59,268)	(1,625)	(57,643)
Gain/(Loss) after tax	**(333,425)**	**17,668**	**(351,093)**
Profit/(Loss) after tax from discontinued operations	(15,039)		2,629
Loss for the year	**(348,464)**		**(348,464)**

13. Property and equipment

in US$'000	Land and buildings	Machinery and equipment	Motor vehicles	Office and IT equipment	Fixed assets in progress	**Total**
Cost						
At 1 January 2020	**1,135,058**	**2,835,423**	**109,065**	**79,133**	**92,114**	**4,250,793**
Additions	9,681	17,208	1,523	1,068	103,786	133,266
Disposals	(9,428)	(7,090)	(3,190)	(951)	5,353	(15,306)
Write-offs		(1,264)	(546)	(20)	–	(1,830)
Reclassifications	22,065	37,385	5,342	2,194	(76,199)	(9,213)
Exchange adjustment, other(i)	(53,113)	(90,497)	(2,002)	(1,625)	4,784	(142,453)
Total costs at 31 December 2020	**1,104,263**	**2,791,165**	**110,192**	**79,799**	**129,838**	**4,215,257**
Less: assets held for sale	(12,191)	(74,712)	(109)	(1,351)	(178)	(88,541)
Cost at 31 December 2020	**1,092,072**	**2,716,453**	**110,083**	**78,448**	**129,660**	**4,126,716**
Additions	10,356	12,254	3,031	2,467	187,263	215,371
Disposals	(11,550)	(8,559)	(2,553)	(2,364)	8	(25,018)
Write-offs	5,531	128,193	4,189	213	–	138,126
Reclassifications	93,496	123,505	9,540	12,935	(127,631)	111,845
Sale of interest in subsidiary	(159,315)	(327,953)	(15,573)	(3,868)	(2,219)	(508,928)
Exchange adjustment, other(i)	(7,771)	(27,029)	(784)	(655)	(5,862)	(42,101)
Classified as held for sale	(398,563)	(1,264,126)	(19,362)	(19,810)	(110,679)	(1,812,540)
Cost at 31 December 2021(ii)	**624,256**	**1,352,738**	**88,571**	**67,366**	**70,540**	**2,203,471**
Cost of assets held for sale at 31 December 2021	399,361	1,324,594	19,362	19,875	111,138	1,874,329
Depreciation and impairment						
At 1 January 2020	**(396,853)**	**(1,310,144)**	**(61,054)**	**(62,223)**	**–**	**(1,830,274)**
Depreciation (Note 10.2)	(38,106)	(158,121)	(11,405)	(6,784)	–	(214,416)
Disposals	1,947	3,839	2,196	1,222	–	9,204
Impairment (Note 10.2)	(85,137)	(116,699)	(169)	(285)	–	(202,290)
Write-offs	–	1,264	546	20	–	1,830
Reclassifications	13,405	(4,771)	192	336	–	9,162
Exchange adjustment, other(i)	26,448	40,212	500	1,135	–	68,295
Total depreciation and impairment at 31 December 2020	**(478,296)**	**(1,544,420)**	**(69,194)**	**(66,579)**		**(2,158,489)**
Less: assets held for sale	245	67,438	109	999	176	68,967
Depreciation and impairment at 31 December 2020	**(478,051)**	**(1,476,982)**	**(69,085)**	**(65,580)**	**176**	**(2,089,522)**
Depreciation (Note 10.2)	(33,188)	(126,608)	(8,724)	(4,887)	(59)	(173,466)
Disposals	5,053	9,663	2,332	1,169	(110)	18,107
Impairment (Note 10.2)	(4,987)	(75,286)	0	(71)		(80,344)
Write-offs	(5,531)	(128,193)	(4,189)	(213)		(138,127)
Reclassifications	(49,533)	(41,898)	(7,932)	(7,616)		(106,979)
Sale of interest in subsidiary	97,913	186,024	10,856	2,783		297,576
Exchange adjustment, other(i)	4,984	16,631	754	289	(7)	22,652
Classified as held for sale	192,497	795,753	13,562	17,199		1,019,011
Depreciation and impairment at 31 December 2021	(270,844)	(840,953)	(62,426)	(56,927)	(0)	(1,231,150)
Depreciation and impairment assets held for sale at 31 December 2021	(192,497)	(860,505)	(13,668)	(17,655)		(1,084,326)
Net book value						
At 31 December 2021	353,413	511,726	26,144	10,439	70,599	972,321
At 31 December 2020	614,021	1,239,471	40,998	12,868	129,836	2,037,194

(i) Includes the impact from hyperinflation adjustment in Angola and Zimbabwe, for a net amount of US$(3.7) million (2020: US$0.9 million).

Certain items included in property and equipment are pledged as collateral for the third-party loans granted to certain of the Group's affiliates amounting to US$76 million (2020: US$75 million). The Group does not hold any property for investment purposes.

Exchange rate adjustments reflect the translation effects from movements in foreign currencies against the US Dollar. All property, plant and equipment is valued at historic cost, and no revaluations are made, in line with Group policy.

14. Intangible assets and goodwill

in US$'000	Goodwill	Licences	Other intangibles	**Total**
Cost or valuation				
At 1 January 2020	**935,598**	**90,629**	**318,660**	**1,344,887**
Additions	–	8,927	324	9,251
Sale of interest in subsidiary	(409,570)	–	–	(409,570)
Disposals	–	–	(34)	(34)
Write-off	–	–	(349)	(349)
Reclassifications	4,422	77	963	5,462
Exchange adjustment, other[i]	(8,531)	(591)	(7,289)	(16,411)
Total cost or valuation at 31 December 2020	**521,919**	**99,042**	**312,275**	**933,236**
Less: assets held for sale	–	(915)	(187)	(1,102)
Cost or valuation at 31 December 2020	**521,919**	**98,127**	**312,088**	**932,134**
Additions	–	10,308	56	10,364
Sale of interest in subsidiary	(27,947)	(2,890)	(29,438)	(60,275)
Disposals	–	445	(20)	425
Write-off	–	(149)	(1,369)	(1,518)
Reclassifications[ii]	2,483	3,190	(84,489)	(78,815)
Exchange adjustment, other[i]	(14,091)	(139)	(5,132)	(19,362)
Less: assets held for sale	(60,079)	(1,887)	(24,392)	(86,359)
Cost or valuation at 31 December 2021	**422,286**	**107,005**	**167,304**	**696,597**
Amortisation and impairment				
At 1 January 2020	**(602,997)**	**(56,736)**	**(79,030)**	**(738,763)**
Amortisation charge for the year (Note 10.2)	–	(12,888)	(12,618)	(25,506)
Impairment (Note 10.2)	(5,967)	(94)	(30,363)	(36,424)
Sale of interest in subsidiary (Note 6.6)	409,570	–	–	409,570
Disposals	–	4	14	18
Write-off	–	–	349	349
Reclassifications	(1,993)	–	378	(1,615)
Exchange adjustment, other[i]	6,690	677	(1,882)	5,485
Total amortisation and impairment at 31 December 2020	**(602,997)**	**(69,037)**	**(123,152)**	**(386,886)**
Less: assets held for sale	–	886	187	1,073
Amortisation and impairment at 31 December 2020	**(194,697)**	**(68,151)**	**(122,965)**	**(385,813)**
Amortisation charge for the year (Note 10.2)	–	(16,236)	(9,931)	(26,167)
Impairment (Note 10.2)	–	(41)	(18,146)	(18,188)
Sale of interest in subsidiary	27,947	2,523	5,954	36,424
Disposals	–	174	–	174
Write-off	–	149	1,369	1,518
Reclassifications[ii]	–	(2,855)	(2,133)	(4,988)
Exchange adjustment, other[i]	2,347	336	3,368	6,051
Less: assets held for sale	19,783	1,638	24,493	45,914
Amortisation and impairment at 31 December 2021	**(144,620)**	**(82,463)**	**(117,990)**	**(345,072)**
Net book value:				
At 31 December 2021	277,667	24,542	49,316	351,524
At 31 December 2020	327,222	29,976	189,123	546,321

(i) Includes the impact from hyperinflation adjustment in Angola and Zimbabwe, for a net amount of US$ 0.2 million (2020: US$(0.3) million).
(ii) Includes a $85M reclassification of net other intangibles into right-of-use linked to concessions in Papua New Guinea.

15. Right-of-use

in US$'000	Land	Buildings	Service stations	Storage facilities	Equipment and machinery	Vehicles	Vessels	Equipment and IT material	Total
Cost									
At 1 January 2020	**226,128**	**38,586**	**203,308**	**86,246**	**21,389**	**3,328**	**207,104**	**155**	**786,244**
Additions	35,850	14,636	21,886	4,859	2,939	2,069	248	7	82,494
Decrease	(17,902)	(1,871)	(2,647)	(601)	(771)	(138)	–	(30)	(23,960)
Write-off	(2,755)	(3,108)	(641)	(916)	(216)	(602)	(169)	(62)	(8,469)
Reclassification	(165)	2,492	(2,326)	–	–	–	–	–	1
Exchange adjustment, other	(141)	85	(4,609)	1,491	209	(20)	–	(2)	(2,987)
Reclassification assets held for sale	–	371	–	8,052	–	–	–	–	8,423
Total cost at 31 December 2020	**241,015**	**51,191**	**214,971**	**99,131**	**23,550**	**4,637**	**207,183**	**68**	**841,746**
Less: assets held for sale	(3,520)	(358)	(390)	(242)	–	(28)	–	–	(4,538)
Cost at 31 December 2020	**237,495**	**50,833**	**214,581**	**98,889**	**23,550**	**4,609**	**207,183**	**68**	**837,208**
Additions	15,603	15,129	33,069	1,303	1,937	1,054	24,594	23	92,712
Decrease	(1,478)	(1,605)	(1,252)	(711)	(11)	(185)	–	–	(5,242)
Disposals	(82)	(217)	(433)	–	–	(59)	–	–	(791)
Write-off	(4,608)	(2,685)	(3,391)	(6,053)	(1,957)	(656)	(172)	(25)	(19,547)
Sale of interest in subsidiary	(12,290)	(290)	(794)	–	–	–	–	–	(13,374)
Reclassifications	50,574	41,157	1,612	–	–	–	–	–	93,343
Exchange adjustment, other	(3,302)	(1,238)	(4,272)	(4,860)	(51)	(4)	–	–	(13,727)
Less: assets held for sale	(79,050)	(16,442)	–	(33,503)	(22,983)	(897)	(79)	–	(152,954)
Cost at 31 December 2021	**202,862**	**84,642**	**239,120**	**55,065**	**485**	**3,862**	**231,526**	**66**	**817,628**

15. Right-of-use continued

in US$'000	Land	Buildings	Service stations	Storage facilities	Equipment and machinery	Vehicles	Vessels	Equipment and IT material	Total
Amortisation and impairment									
At 1 January 2020	**(21,392)**	**(7,624)**	**(25,179)**	**(10,833)**	**(1,909)**	**(1,015)**	**(35,964)**	**(71)**	**(103,987)**
Amortization	(19,640)	(9,706)	(25,879)	(12,796)	(2,102)	(1,179)	(38,106)	(42)	(109,450)
Impairment	179	–	(4,463)	–	869	–	–	–	(3,415)
Write-off	2,756	3,108	641	916	216	601	169	63	8,470
Reclassification	(60)	(462)	515	–	–	–	–	–	(7)
Exchange adjustment, other	(515)	(231)	228	(929)	(121)	(13)	–	–	(1,581)
Reclassification assets held for sale	–	(21)	–	(435)	–	–	–	–	(456)
Total amortisation and impairment at 31 December 2020	**(38,672)**	**(14,936)**	**(54,137)**	**(24,077)**	**(3,047)**	**(1,606)**	**(73,901)**	**(50)**	**(210,426)**
Less: assets held for sale	617	169	97	53	–	25	–	–	961
Amortisation and impairment at 31 December 2020	**(38,055)**	**(14,767)**	**(54,040)**	**(24,024)**	**(3,047)**	**(1,581)**	**(73,901)**	**(50)**	**(209,465)**
Amortization	(20,295)	(10,402)	(27,087)	(12,133)	(2,308)	(1,307)	(43,753)	(26)	(117,311)
Disposals	10	66	297	–	–	–	–	–	373
Impairment	–	–	(441)	–	(427)	–	–	–	(868)
Write-off	4,608	2,685	3,391	6,053	1,958	656	172	25	19,548
Sale of interest in subsidiary	2,208	109	147	–	–	–	–	–	2,464
Reclassifications	(4,390)	(4,799)	–	–	–	–	–	–	(9,189)
	703	468	1,033	1,467	24	(11)	–	–	3,684
Less: assets held for sale	12,370	2,253	–	10,494	3,700	591	7	–	29,415
Amortisation and impairment at 31 December 2021	**(42,841)**	**(24,387)**	**(76,700)**	**(18,143)**	**(100)**	**(1,652)**	**(117,475)**	**(51)**	**(281,349)**
At 31 December 2021	160,021	60,255	162,420	36,922	385	2,210	114,051	15	536,279
At 31 December 2020	199,440	36,066	160,541	74,865	20,503	3,028	133,282	18	627,743

16. Impairment testing of goodwill and intangible assets with indefinite lives

Goodwill acquired through business combinations and intangible assets with indefinite lives have been allocated to two cash-generating units (CGUs), which are also operating and reportable segments, for impairment testing as follows:

- Midstream CGU.
- Downstream CGU.

The carrying amount of goodwill (other than goodwill relating to discontinued operations) was allocated to CGUs as follows:

in US$'000	2021	2020
Midstream unit	39,675	41,005
Downstream unit(i)	278,287	286,217
Total carrying amount of goodwill	**317,962**	**327,222**
Less: discontinued operations	(40,296)	–
Carrying amount of goodwill in continuing operations	**277,666**	**327,222**

(i) During the year, the Group took an impairment of US$ 95.4 million on operations in Myanmar. (2020: US$ 5.9 million of goodwill on operations in Ghana and Senegal.)

Midstream CGU:

The Midstream CGU relates to entities with refining and storage facilities. The recoverable amounts of the net assets tested under this cash-generating unit have been determined based on a value in use calculation which uses cash flow projections based on financial budgets approved by the Board of Directors covering a five-year period, and an average post-tax discount rate of 8.59% per annum (2020: 9.26%). The discount rate is calculated as a weighted average cost of capital, based on the implied yield on the Group's Senior Notes, and a cost of equity for each country.

Cash flow projections during the budget period are based on the same expected gross margins and raw materials price inflation throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a continuous 1.0% per annum growth rate (2020: 1.0%).

Downstream CGU:

The Downstream CGU pertains to entities that include distribution of refined oil and gas products. The recoverable amount of the net assets tested under this CGU have been determined based on a value in use calculation. This method uses cash flow projections based on financial budgets approved by the Board of Directors covering a five-year period, and an average post-tax discount rate of 8.86% per annum (2020: 8.87%). The discount rate is calculated as a weighted average cost of capital, based on the implied yield on the Group's Senior Notes, and a cost of equity for each country. The most significant impairment amounts have been taken on Myanmar (US$ 95.4 million) driven mainly by the changes in the political situation of the country therefore the increase in the weighted average cost of capital.

Cash flow projections during the budget period are based on the same expected gross margins and raw materials price inflation throughout the budget period. The cash flows beyond that five-year period have been extrapolated using a steady 2.0% per annum growth rate (2020: 2.0%).

16.1 Key assumptions used in value in use calculations

Gross profits – Gross profits are based on average values achieved in the three years preceding the start of the budget period, adjusted for any new investments or change in market dynamics. These are volume-driven and are increased over the budget period according to the expected gross domestic product growth and applicable local petroleum regulations of each country where the unit operates.

Discount rates – Discount rates represent the current market assessment of the risks specific to each CGU, regarding the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and derived from its weighted average cost of capital. The weighted average cost of capital takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on its Interest-bearing loans and borrowings that the Group is obliged to service. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on management's knowledge of the particular markets in which it operates.

Petroleum product prices – Forecasted commodity prices are publicly available.

Market share assumptions – These assumptions are important because, as well as using industry data for growth rates (as noted below), management assesses how the unit's position, relative to its competitors, might change over the budget period. Management expects the Group's share of the petroleum product market to be stable over the budget period.

Growth rate estimates – Rates are based on management's estimates.

17. Inventories

in US$'000	**2021**	2020
Petroleum inventories at fair value(i)	380,269	427,745
Petroleum product inventories at lower of cost and net realisable value, net	513,233	425,826
Merchandise inventories, net	6,097	7,738
Total inventories, net	**899,599**	**861,309**

(i) As indicated in Note 2.3.l, inventories held for trading purposes are stated at fair value less costs to sell and any changes in net fair value are recognised in profit or loss. Certain of the Group's subsidiaries engage in commodity trading activities for which the exemption stipulated in IAS 2 *Inventories for commodity broker-traders* applies. Trading activities undertaken include optimisation of the Group's supply cycle and the supply of petroleum products to business–to–business and wholesale clients.

The cost of inventories recognised in cost of sales in 2021 amounted to US$12,327 million (2020: US$9,445 million). Out of the total net inventories held US$ 4.6 million have been pledged at 31 December 2021 (2020: US$ 19.2 million).

18. Other financial assets

in US$'000	**2021**	2020
Financial assets carried at fair value through profit or loss(i)	100,554	141,025
Finance lease receivable(ii)	1,920	3,500
Loans to other entities(iii)	20,471	49,489
Other financial assets(iv)	–	1,723
Total other financial assets	**122,945**	**195,737**
Of which due from related parties (Note 28)	88,683	160,160
Current	86,007	141,504
Non-current	36,938	54,233
	122,945	**195,737**

(i) All held for trading derivatives are swaps and commodity futures. Besides trading derivatives the account also includes an equity instrument in Senegal and another in South Africa.
(ii) The Group has a finance lease arrangement for petroleum storage equipment.
(iii) The Group makes a limited number of loans to third and related parties. Management believes that none of these loans should be impaired however they are subject to loss provisions in line with IFRS 9.
(iv) Includes the investment in a storage company and debt securities

19. Other assets

in US$'000	**2021**	2020
Prepayments, deposits and guarantees(i)	181,391	74,824
Other tax receivables(ii)	207,295	210,411
Other receivables	85,215	62,520
Total other assets	**473,901**	**347,755**
Of which due from related parties (Note 28)	122,495	14,264
Current	332,721	196,895
Non-current	141,180	150,860
	473,901	**347,755**

(i) Prepayments, deposits and guarantees mainly include payments made for the purchase of equipment and construction materials, capital expenditure prepayments, as well as other guarantees and deposits.
(ii) Other tax receivables include non–income tax related items such as VAT and petroleum tax receivables.

20. Trade receivables

Trade and other accounts receivable include the short-term portion of trade accounts receivable and related accounts.

in US$'000	**2021**	2020
Trade receivables	**579,676**	**521,708**
Of which due from related parties (Note 28)	112,027	91,864

Trade receivables are non–Interest-bearing and are generally on cash to 30 day terms. At year–end Group days of sales outstanding amounted to 12.9 days (2020: 15.4 days).

The impairment recognised represents the difference between the carrying amount of the trade receivables and the present value of the expected proceeds. The Group does not hold any collateral over these balances. As illustrated below, there were no significant movements in the allowance for impairment of receivables (see credit risk disclosure in Note 30.3 for further guidance).

The movement in the allowance for doubtful debts was as follows:

in US$'000	**2021**	2020
Balance at beginning of the year(i)	**(17,859)**	**(20,612)**
Impairment losses recognised on receivables(ii)	(3,800)	(6,025)
Amounts written off during the year as uncollectible	4,137	3,606
Amounts recovered during the year	2,005	1,189
Disposal of subsidiary	352	99
Foreign exchange translation gains and (losses), other	1,670	124
Less: assets held for sale	490	(3,761)
Balance at end of the year	**(13,005)**	**(17,859)**

(i) The presentation of this reconciliation for doubtful debts is reconsidered and does not correspond to the figures in 2020 financial statements since the Assets Held for Sale line has been lifted out for the purposes of the 2021 financial statements, as detailed above
(ii) Includes additional provision of US$ 1.0 million (2020: US$1.7 million) recorded, to reflect expected credit losses, in accordance with IFRS 9.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix at 31 December, in line with IFRS 9:

			Days past due			
At 31 December 2021 – in US$'000	**Total**	Current	< 90 days	90 -180 days(i)	180 – 360 days	>360 days
Expected credit loss rate	**–**	–	–	–	35%	70%
Gross carrying amount	**565,283**	461,903	84,928	3,548	2,053	12,851
Expected credit loss	**(9,713)**	**–**	**–**	**–**	**(718)**	**(8,995)**

			Days past due			
At 31 December 2020 – in US$'000	**Total**	Current	< 90 days	90 -180 days(i)	180 – 360 days	>360 days
Expected credit loss rate	–	–	–	–	35%	70%
Gross carrying amount	**455,244**	360,981	59,576	3,857	6,983	23,847
Expected credit loss	**(19,137)**	**–**	**–**	**–**	**(2,444)**	**(16,693)**

(i) No provision has been recorded on receivables due between 90 and 180 days. Based on past experience, the Group has grounds to believe that these receivables should not be impaired.

Receivables from related parties are neither past due nor impaired and are therefore excluded from the table above.

At 31 December, the ageing analysis of trade receivables from third parties (net of allowance for doubtful debts) was as follows:

			Past due but not impaired			
in US$'000	**Total**	Neither past due nor impaired	< 90 days	90 -180 days	180 – 360 days	>360 days
2021	467,649	377,650	81,728	2,908	2,199	3,164
2020	429,844	354,331	55,484	3,394	6,489	10,146

20.1 Receivables sold without recourse

At 31 December 2021, trade receivables of US$215.6 million (2020: US$171.4 million), related to the United Kingdom, Australia, Guatemala and Puerto Rico had been sold without recourse.

21. Cash and cash equivalents

in US$'000	**2021**	2020
Cash at banks and on hand	302,759	292,505
Restricted cash (i)	88,620	94,377
Short-term deposits	61,163	120,310
Cash and short-term deposits	**452,542**	**507,192**

(i) The increase in restricted cash in 2021 is due to bank-guarantees related to the disposal of the Australian Fuel operations

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

22. Capital and reserves

The registered share capital of the group at 31 December 2021 was US$ 2,168,099 thousand (2020: US$ 1,657,067 thousand) divided into 145,686,645 issued ordinary shares (2020: 94,540,435 ordinary shares).

	2020
Opening number of shares on 31 Dec 2020	**94,540,435**
14 Jan 2021 – Less: Shares bought back from PE ESP	(162,218)
24 Sep 2021 – Add: Rights issue to Trafigura Pte Ltd	49,758,980
24 Sep 2021 – Add: Rights issue to PE Investments Limited	1,491,191
24 Sep 2021 – Add: Rights issue to Global PE Investors Plc	58,257
Closing number of shares on 31 Dec 2021	**145,686,645**

Please see Note 4 for changes in registered share capital.

23. Interest-bearing loans and borrowings

in US$'000	**2021**	2020
Unsecured – at amortised cost		
Senior notes(i)	1,468,629	1,556,467
Bank overdrafts	68,880	87,515
Obligations under finance leases	–	25
Accrued interest	27,444	29,962
Unsecured bank loans(ii)	355,440	964,135
Related parties(iv)	424,260	419,895
	2,344,653	**3,057,999**
Secured – at amortised cost		
Secured bank loans(ii)(iii)	4,818	57,653
	4,818	**57,653**
Total Interest-bearing loans and borrowings	**2,349,471**	**3,115,652**
Of which due to related parties (Note 28)	424,260	419,895
Current	484,427	1,044,766
Non-current	1,865,044	2,070,886
	2,349,471	**3,115,652**

(i) Includes US$ 600 million of 5.125% Senior Notes maturing in 2024, US$ 750 million of 5% Senior Notes maturing in 2026, a 2.65% private placement of EUR 200 million, repayable in instalments and maturing in 2024, and a 5.87% private placement of US$ 50 million, maturing in 2023 (US$ 50 million have been reclassified as unsecured short term bank loans).

(ii) Secured and unsecured bank loans consist of fixed and floating rate loans, for which the weighted average effective interest rate (including arrangement fees) was 5.3% for the year ended 31 December 2021 and 5.1% for the year ended 31 December 2020. The Group economically hedges a portion of the loans for interest rate risk via an interest rate swap, exchanging variable rate interest for fixed rate interest. The fair value of Interest-bearing loans and borrowings for disclosure purposes is based on quoted prices in an active market for similar liabilities. These financial instruments are fair valued, based on Level 2 measurement.

(iii) Bank loans are secured by mortgages over certain of the Group's assets (mainly inventories, qualifying receivables, shares of certain subsidiaries and other long-term assets). The total value of the pledged assets at 31 December 2021 was US$97.8 million (2020: US$104.3 million).

(iv) In June 2020 the Group entered into a US$ 390 million subordinated loan agreement maturing in January 2027 with Trafigura PE Holding Limited which was subsequently novated to Trafigura Pte Ltd. The loan bears an interest of 5.45% per annum and was used entirely to re-purchased ordinary shares held by Trafigura PE Holding Limited.

Loan maturity schedule

in US$'000	**2021**	2020
Not later than one year	484,427	1,044,766
Later than one year and not later than five years	1,440,784	1,668,841
Later than five years	424,260	402,045
Total Interest-bearing loans and borrowings	**2,349,471**	**3,115,652**

24. Lease liabilities

in US$'000	**2021**	2020
Lease liabilities – non-current (3rd parties)	292,969	451,542
Lease liabilities – non-current (related parties)	80,236	106,449
Lease liabilities – current (3rd parties)	47,544	57,675
Lease liabilities – current (related parties)	42,810	32,208
Total lease liabilities	**463,559**	**647,874**
Of which due to related parties (Note 28)	123,046	138,657
Current	90,354	89,883
Non-current	373,205	557,991
	463,559	**647,874**
Lease liability maturity		
Within one year	90,354	89,883
After one year, but less than 5 years	218,231	285,000
More than 5 years	154,974	272,991
	463,559	**647,874**

25. Provisions

in US$'000	Employee-related provisions(i)	Provisions for contingencies and expenses(ii)	Provision for remediation(iii)	**Total**
At 1 January 2021	10,461	30,357	24,528	65,346
Arising during the year	1,279	17,667	8,269	27,215
Reclassified to another balance sheet position	–	(7,399)	–	(7,399)
Utilised	–	(1,800)	–	(1,800)
Unused amounts reversed	(2,824)	(7,093)	–	(9,917)
Other movements	(33)	(3,251)	(261)	(3,545)
Foreign exchange translation gains and losses	(90)	(116)	(203)	(409)
Assets held for sale	(1,663)	(8,257)	(24,462)	(34,382)
At 31 December 2021	**7,130**	**20,108**	**7,871**	**35,109**
Current	5,174	14,995	35	20,204
Non-current	1,956	5,113	7,836	14,905
	7,130	**20,108**	**7,871**	**35,109**
At 31 December 2020				
Current	8,175	11,504	248	19,927
Non-current	2,286	18,854	24,280	45,420
	10,461	**30,358**	**24,528**	**65,347**

(i) Employee-related provisions mainly reflect holiday accruals, provision for employee benefits as well as provisions for long service leave mainly in Papua New Guinea, Nicaragua and Australia.

(ii) Provisions for contingencies and expenses mainly relate to operations in Ivory Coast, Tanzania, Botswana and Myanmar. They also include the claims provisions created in the captive insurance company of the group. The group reclassified US$ 7.4 million as part of their impairment assessment exercise in Myanmar.

(iii) Remediation provisions mainly relate to the UK business acquired in 2015.

26. Other financial liabilities

in US$'000	**2021**	2020
Financial liabilities carried at fair value through profit or loss(i)	238,668	140,079
Vendor loan – third parties	150	150
Other liabilities	6,733	7,086
Total other financial liabilities	**245,551**	**147,315**
Of which due to related parties (Note 28)	232,013	139,774
Current	238,668	140,079
Non-current	6,883	7,236
	245,551	**147,315**

(i) Derivative positions include commodity futures, commodity swaps and interest rate swaps used to economically hedge certain of the Group's financial risks. A substantial portion of the derivatives are transacted with Trafigura Pte Ltd and Trafigura Derivatives Ltd.

27. Trade and other payables

in US$'000	2021	2020
Trade payables	1,724,133	1,626,444
Other payables and accrued liabilities	149,593	239,760
Other liabilities(i)	86,477	195,401
Total trade and other payables	**1,960,203**	**2,061,605**
Of which due to related parties (Note 28)	1,326,928	1,320,005

(i) Other current liabilities include mainly tax, social security and VAT payables.

Terms and conditions of the above liabilities:
Trade payables are generally non-interest-bearing.
Interest payable is normally settled on a monthly basis throughout the financial year.

28. Related parties disclosures

Balances and transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed below.
Related parties not part of the Group include the following:

Entity name	Country of incorporation	% equity interest in the Group 2021	2020
Trafigura PE Holding Limited	Malta	58.10%	49.37%
Trafigura PTE Ltd.	Singapore	34.16%	0.00%
Sonangol Holdings Lda	Angola	0.00%	31.73%
TPE Holdings 2 LLC	Marshall Islands	4.32%	6.66%
PE Investments Limited	Malta	3.20%	6.65%
Cochan Holdings LLC	Marshall Islands	0.00%	5.04%
Global PE Investors PLC	Malta	0.14%	0.25%
PE SPV Limited	Malta	0.08%	0.13%
PE ESP LLC	Marshall Islands	0.00%	0.17%

28.1 Related party transactions

Group entities entered into the following transactions with related parties that are not members of the Group:

in US$'000	Sales and finance income related parties 2021	2020	Purchases, management fees and finance cost related parties 2021	2020
Trafigura Group	959,384	538,563	(7,191,275)	(4,256,350)
Sonangol Group	20,058	20,768	(182,971)	(195,509)
Others	20,003	14,479	(336)	–
Total	**999,445**	**573,810**	**(7,374,582)**	**(4,451,859)**

in US$'000	Amounts owed by related parties(i) 2021	2020	Amounts owed to related parties(ii) 2021	2020
Trafigura Group	292,274	202,159	(2,092,865)	(1,957,881)
Sonangol Group	–	6,952	(0)	(29,321)
Others	30,931	57,177	(13,382)	(31,128)
Total	**323,205**	**266,288**	**(2,106,247)**	**(2,018,330)**

(i) Includes trade and other receivables, loans to related parties and other assets.
(ii) Includes trade and other payables, lease liabilities, and loans from related parties.

28.2 Related party loans

The Group has acquired, by virtue of its various acquisitions, certain legacy loans made to employees of acquired entities. These loans are, individually and in aggregate, immaterial to the Group.

In June 2020 the Group entered into a US$ 390 million subordinated loan agreement maturing in January 2027 with Trafigura PE Holding Limited which was subsequently novated to Trafigura Pte Ltd. The loan bears an interest of 5.45% per annum and was used entirely to re-purchased ordinary shares held by Trafigura PE Holding Limited.

28.3 Key management personnel compensation

Key management personnel compensation amounted to US$17.4 million (including US$ 4.8 million severance payments) in 2021 (2020: US$16.3 million).

29. Commitments and contingencies

Off balance sheet commitments:

in US$'000	2021	2020
Storage and land rental	1,855	1,920
Assets under construction	11,777	7,422
Supply contract	–	1,146
Other commitments	46,209	38,425
Total	**59,841**	**48,913**

in US$'000	2021	2020
Within one year	59,841	47,896
After one year but not more than five years	–	187
More than five years	–	830
Total	**59,841**	**48,913**

Contingent liabilities:

in US$'000	2021	2020
Letters of credit(i)	272,131	560,170
Guarantees(ii)	26,645	21,832
Legal and other claims(iii)	52,208	50,702
Total	**350,984**	**632,704**

(i) The Group utilises standby letters of credit and documentary credits, where appropriate, where certain of the Group suppliers or underwriting banks require such facilities to be put in place.
(ii) Guarantees issued by the Group are mostly related to performance bonds for performance on specific contracts. No liability is expected to arise from these guarantees.
(iii) Legal and other claims includes existing legal cases for which the Group believes no further charge will arise in the future as the Group believes it has the legal grounds to eventually conclude the cases favourably.

Excluded from the contingent liabilities listed above are those mortgages and assets pledged as collateral on certain financing transactions. These items are disclosed in Note 13.

30. Financial risk management objectives and policies

The Group Executive Committee oversees the management of financial risks and reviews and agrees policies for managing these risks, which are defined in the Group Risk Management Framework. The Group Risk Management Framework is a comprehensive management tool utilised by the Group Executive Committee to assess potential risks facing the Group. With the support of the Group internal audit team, the Group Risk Management Framework provides a context through which the Group is able to continuously monitor external risks. The Group Risk Management Framework is reviewed on a quarterly basis by the Group Executive Committee.

The Group is primarily a Midstream and Downstream business with a strong risk management philosophy. The Group manages its exposure to key financial risks in accordance with the Group Risk Management Framework. The objective of the policy is to support the delivery of the Group's financial targets while protecting future financial security. The main risks that could adversely affect the Group's financial assets, liabilities or future cash flows are: market risks, comprising commodity price risk, cash flow interest rate risk and foreign currency risk; liquidity risk; and credit risk. As a rule, commodity price risk relating to the physical supply activities is systematically economically hedged, with the support of Trafigura Pte Ltd and Trafigura Derivatives Ltd. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision.

It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken as all derivative transactions are entered into for the purpose of managing the Group's physical inventory exposure. At this stage, the Group does not currently apply any form of hedge accounting.

Furthermore, the Group, through the Group Risk Management Framework, has established conservative consolidated risk limits and closely monitors the Group's risk positions to ensure that the Group's risk exposure remains well within these limits.

30.1 Market risk

The Group operates in various national markets where petroleum prices are predominantly regulated and, therefore, in many of its markets it has limited market risk in terms of price exposure. Furthermore, where the Group operates in unregulated markets, the Group is typically able to price its products so as to reflect increases or decreases in market prices on a timely basis and thereby substantially mitigate its price exposure. Despite the Group selling into markets where price exposure is largely mitigated, the Group does economically hedge its physical supply. The primary purpose of the economic hedging activities is to protect the Group against the risk of physical supply transactions being adversely affected by changes in commodity prices. The Group systematically enters into economic hedging contracts to cover price exposures in its physical supply activities. In particular, substantially all supply stock is at all times either pre-sold or the commodity index price risk is economically hedged. By virtue of the nature of the markets in which the Group operates and given the economic hedging conducted in the Group's supply activities as per the Group Risk Management Framework, the Group faces limited market risk.

The following table provides an overview of the open derivative contracts at the year-end. All commodity derivatives had maturities of less than one year at each year-end.

	Fair value of derivatives	
in US$'000	**2021**	2020
Commodity futures and swaps	(39,003)	(682)
Currency swaps	(2,446)	(8,102)
Total	**(41,449)**	**(8,784)**

Currency risk

The Group has exposures to foreign currency risk on its activities, and movements in currency exchange rates may have a material negative effect on our financial condition and result of operations. The Group reduces its exposure to changes in foreign currency exchange rates by borrowing in local currencies and entering into currency hedges.

The Group does not use financial instruments to hedge the translation risk related to equity and earnings of foreign subsidiaries and non-consolidated companies. Refer to the consolidated statement of changes in equity to see the impact of changes in foreign currencies on the Group's equity.

Interest rate risk

Interest rate risk of the Group is mainly applicable on the long-term funding of the Group. Please refer to the comments below for further details on the Group's funding. The Group has entered into certain interest rate swap transactions in order to limit its exposure to floating interest rates.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax through the impact on floating rate Interest-bearing loans and borrowings and cash and cash equivalents. The impact on equity is the same as the impact on profit before tax.

	Effect on profit before tax for the year ended	
in US$'000	**2021**	2020
+ 1.0 percentage point	1,507	(5,533)
– 1.0 percentage point	(1,507)	5,533

The carrying amount of all financial assets and liabilities except for Interest-bearing loans and borrowings approximated the estimated fair value, due to the short-term nature of the financial instruments. The following table summarises the fair value of Interest-bearing loans and borrowings:

	Carrying amount		Fair value	
in US$'000	**2021**	2020	**2021**	2020
Interest-bearing loans and borrowings[(i)]	2,349,471	3,115,652	2,020,055	2,629,116
Total	**2,349,471**	**3,115,652**	**2,020,055**	**2,629,116**

(i) For the purpose of the above disclosure, fixed rate Interest-bearing loans and borrowing have been discounted using the actual cost of debt of the Group. The fair value of Interest-bearing loans and borrowings for disclosure purposes is based on quoted prices in an active market for identical liabilities. These financial instruments are based on a Level 2 fair value measurement (refer to Note 30.7).

30.2 Liquidity risk

The Group, by virtue of the nature of its operations, has demonstrated a consistent ability to generate cash through its ongoing daily operations. The Group generates stable cash flows as the Group's assets are utilised to deliver an essential product to customers in specific, national markets and the Group is therefore not entirely exposed to international commodity market movements. At the same time, the Group has the flexibility to decide whether to invest or not in capital expenditures as its ability to generate cash flows is not bound, in the short term, by significant capital commitments or significant mandatory capital asset maintenance.

Furthermore, the Group monitors its risk to a shortage of funds by monitoring the maturity dates of existing debt. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and bank loans. At 31 December 2021, the Group had US$ 505.5 million (2020: US$524 million) of undrawn fair value borrowing facilities.

21% of the Group's debt will mature in less than one year at 31 December 2021 (2020: 34%) based on the balances reflected in the consolidated financial statements. The maturity profile of the Group's debt is summarised in Note 23 and below. The Group liquidity risk is further mitigated as a large part of the borrowing activities of the Group are related to the financing of petroleum stocks and by their nature, these stocks are easily convertible into cash. The table below summarises the maturity profile of the Group's financial liabilities based on non-discounted contractual payments:

in US$'000	Less than 1 year	1–5 years	5+ years	**Total**
At 31 December 2021:				
Interest-bearing loans and borrowings[(i)]	598,050	1,718,764	436,670	2,753,484
Lease liabilities	91,332	218,231	153,996	463,559
Trade and other payables	1,960,203	–	–	1,960,203
Financial derivatives	238,668	–	–	238,668
Other financial liabilities	–	6,883	–	6,883
Total	**2,888,253**	**1,943,878**	**590,666**	**5,422,797**
At 31 December 2020:				
Interest-bearing loans and borrowings[(i)]	1,122,376	1,926,366	529,575	3,578,317
Lease liabilities	89,883	285,000	272,991	647,874
Trade and other payables	2,061,605	–	–	2,061,605
Financial derivatives	140,079	–	–	140,079
Other financial liabilities	–	7,236	–	7,236
Total	**3,413,943**	**2,218,602**	**802,566**	**6,435,111**

(i) Includes also interest cash flows

30.3 Credit risk

The Group has a formalised credit process, with credit officers in the key locations around the world. Strict credit limits are established for each counterparty on the basis of detailed financial and business analyses. These limits are constantly monitored and revised in light of counterparty or market developments and the amount of exposure relative to the size of the Group's consolidated statement of financial position. The Group conducts transactions with the following major types of counterparties:

- Physical commodity counterparties spread across the vertical chains for oil (e.g. resellers and end-users). Sales to counterparties
  are made on open terms up to internally approved credit limits. Exposures above such limits are subject to independent payment guarantees.
- Payment guarantee counterparties (e.g. prime financial institutions from which the Group obtains payment guarantees).

The Group is present in different geographic regions. Wherever appropriate, guarantees, insurance and letters of credit are used to reduce payment or performance risk. The Group's maximum exposure to credit risk is equivalent to the amounts of financial assets presented in the consolidated statement of financial position. The Group has no significant concentrations of credit risk and no single customer accounts for more than 3% of the Group's sales volumes. In addition, a significant part of the activity of the Group's downstream business (mainly retail sites) is on a cash or prepayment basis.

Refer to Note 20 for an ageing analysis of trade receivables.

30.4 Operational risk

The operations department has representatives in key locations around the world and is responsible for a number of tasks including contract insurance and logistics management. The operations department is also responsible for ensuring that industry, environmental safety, and internal policies and procedures are complied with at all times. Detailed procedures manuals are implemented throughout the Group and all operations personnel receive regular and adequate training covering the relevant subjects according to their specific functions within the operating activities of the Group. This ensures that operations staff are kept up to date with all applicable procedural, legal, regulatory and industry changes.

The Group, when chartering vessels, applies a strict vessel vetting procedure that complements insurance requirements and focuses on the vessel age, classification, protection, indemnity and pollution insurance cover. Similar vetting procedures are also applied for both rail, car and truck movements. The Group also has a storage procedure which involves full due diligence being undertaken of every proposed storage location – including a site visit to the storage location, the tank or warehouse. Regular stock analysis is undertaken to avoid losses such as theft and contamination, and each approved location is checked annually to evaluate
the ongoing situation.

By virtue of the Group's relationship with its significant shareholder, Trafigura PE Holding Limited, the Group does have a risk of supplier concentration as the Trafigura group companies' accounts for around 72% (2020: 49%) of all purchases made by the Group.

30.5 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong capital structure and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions in order to ensure a sound capital structure.

30.6 Changes in liabilities arising from financing activities

in US$'000	Financial debt(i)	Lease liabilities	Finance leases	Vendor loans	Dividends	**Total**
At 1 January 2020	**3,009,667**	**671,080**	**52**	**352**	**–**	**3,681,151**
Cash flows	(475,193)	(132,234)	(13)	(202)	(21,003)	(628,645)
Interest expense	198,422	–	–	–	–	198,422
Shareholder loan	390,000	–	–	–	–	390,000
Dividends declared during the year	–	–	–	–	21,003	21,003
New leases/increase	–	181,900	2	–	–	181,902
Lease reassessment	–	(70,851)	–	–	–	(70,851)
FX movements	13,744	1,806	(16)	–	–	15,534
Less: debt associated to assets held for sale	(20,988)	(3,827)	–	–	–	(24,815)
At 31 December 2020	**3,115,652**	**647,874**	**25**	**150**	**–**	**3,763,701**
Cash flows	(883,811)	(152,457)	(27)	–	(2,173)	(1,038,468)
Interest expense	183,798	–	–	–	–	183,798
Shareholder loan	22,216	–	–	–	–	22,216
Dividends declared during the year	–	–	–	–	2,173	2,173
New leases/increase	–	96,643	–	–	–	96,643
Lease reassessment	–	32,890	–	–	–	32,890
FX movements	(10,505)	(13,837)	2	–	–	(24,340)
Divestment of subsidiaries	(61,962)	(18,032)	–	–	–	(79,994)
Less: debt associated to assets held for sale	(15,917)	(129,522)	–	–	–	(145,439)
At 31 December 2021	**2,349,471**	**463,559**	**–**	**150**	**–**	**2,813,180**

(i) For the purpose of the above disclosure, current and non-current Interest-bearing loans and borrowings have been grouped together.
At 31 December 2021 the balance sheet of the group discloses also US$ 463.6 million of lease liabilities (2020: US$ 647.9 million).

30.7 Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments, which are measured at fair value by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

All financial assets and liabilities, and inventories measured at fair value, at 31 December 2021 and 2020, fall under the Level 2 category described above, and include financial open derivatives for a net amount of US$(41.45) million (2020: US$(8.8) million) and inventories for US$380.2 million (2020: US$427.7 million). There have been no transfers between fair value levels during any of the reporting periods.

31. Events after the reporting period

Disposal of Russia business

In January, the group divested its storage operations in Russia (Murmansk).

32. Significant consolidated subsidiaries and participating interests

The consolidated financial statements for the year ended 31 December 2021 include the Company's financial statements and those of the following operating entities listed in the table below:

Name of subsidiary	Place of incorporation	Proportion of ownership interest held by the Group at 31 December for the year ended 2021	2020	Legal relationship
Puma Energy Holdings Pte Ltd	Singapore	100%	100%	Parent company
Puma Energy Pakistan (Private) Ltd (Admore)	Pakistan	0%	51%	Subsidiary
Alexela Slovag AS	Norway	95%	95%	Subsidiary
Angobetumes Lda	Angola	0%	100%	Subsidiary
AS Alexela Logistics	Estonia	95%	95%	Subsidiary
Puma Aviation Europe OU	Estonia	100%	100%	Subsidiary
Bitumen Storage Services (WA) Pty Ltd (Australia)	Australia	50%	50%	Equity investment
Comercial el Hogar SA	Honduras	100%	100%	Subsidiary
DP Drakensberg Properties Pty Ltd	South Africa	100%	100%	Subsidiary
Drakensberg Oil Pty Ltd	South Africa	100%	100%	Subsidiary
Empresa Cubana de Gas	Cuba	50%	50%	Equity investment
Gulf Refining Company NV	Curaçao	64%	64%	Subsidiary
High Heat Tankers Pte Ltd	Singapore	50%	50%	Equity investment
Hull Ocean Going Barges UK Ltd	United Kingdom	100%	100%	Subsidiary
Kpone Marine Services Ltd	Ghana	100%	100%	Subsidiary
Mazen Global Insurance Ltd	Federal Territory of Labuan	100%	100%	Subsidiary
National Energy Puma Aviation Services Co Ltd[i]	Myanmar	34%	34%	Subsidiary
PC Puerto Rico LLC	Puerto Rico	100%	100%	Subsidiary
PE Bitumen Resources Nigeria Ltd	Nigeria	60%	60%	Subsidiary
PE Petroleum Cote d'Ivoire SA	Ivory Coast	56%	56%	Subsidiary
PE Swaziland (Pty) Ltd	Swaziland	100%	100%	Subsidiary
PE Tanzania Services Assets Ltd	Tanzania	100%	100%	Subsidiary
Pervyi Murmanskiy Terminal[i]	Russia	47%	47%	Subsidiary
Petrobeira Lda[ii]	Mozambique	49%	49%	Subsidiary
Puma El Salvador SA de CV	El Salvador	100%	100%	Subsidiary
Puma Energia España SLU	Spain	100%	100%	Subsidiary
Puma Energy (Australia) Bitumen Pty Ltd	Australia	100%	100%	Subsidiary
Puma Energy (Australia) Kwinana Pty Ltd	Australia	100%	100%	Subsidiary
Puma Energy (Aviation) SA	Switzerland	100%	100%	Subsidiary
Puma Energy (Malaysia) Sdn Bhd	Malaysia	100%	100%	Subsidiary
Puma Energy (Moçambique) Lda	Mozambique	100%	100%	Subsidiary
Puma Energy (Namibia) (Pty) Ltd	Namibia	100%	100%	Subsidiary
Puma Energy (Singapore) Pte Ltd	Singapore	100%	100%	Subsidiary
Puma Energy Procesing Services LLP	India	100%	100%	Subsidiary
Puma Energy (UK) Ltd	United Kingdom	100%	100%	Subsidiary
Puma Energy Asia Sun Co Limited	Myanmar	100%	80%	Subsidiary
Puma Energy Bahamas SA	Bahamas	100%	100%	Subsidiary
Puma Energy Belfast Ltd	United Kingdom	50%	50%	Equity investment
Puma Energy Benin SA	Benin	100%	100%	Subsidiary
Puma Energy Bitumen (Vietnam) Ltd	Vietnam	80%	80%	Subsidiary
Puma Energy Bitumen Supply SA	Panama	100%	100%	Subsidiary

32. Significant consolidated subsidiaries and participating interests continued

Name of subsidiary	Place of incorporation	Proportion of ownership interest held by the Group at 31 December for the year ended 2021	2020	Legal relationship
Puma Energy Botswana (Pty) Ltd	Botswana	80%	80%	Subsidiary
Puma Energy Caribe LLC	Puerto Rico	100%	100%	Subsidiary
Puma Energy Colombia Combustibles SAS	Colombia	100%	100%	Subsidiary
Puma Energy Colombia Holdings AG	Switzerland	100%	100%	Subsidiary
Puma Energy Cote d'Ivoire SA	Ivory Coast	75%	75%	Subsidiary
Puma Energy Distribution Benin SA	Benin	100%	100%	Subsidiary
Puma Energy Distribution Côte d'Ivoire Sarl	Ivory Coast	70%	70%	Subsidiary
Puma Energy Guatemala SA	Guatemala	100%	100%	Subsidiary
Puma Energy Honduras SA de CV	Honduras	100%	100%	Subsidiary
Puma Energy International BV, Geneva Branch	Netherlands	100%	100%	Branch
Puma Energy International SA	Switzerland	100%	100%	Subsidiary
Puma Energy Irrawaddy Pte Ltd	Singapore	100%	100%	Subsidiary
Puma Energy Johannesburg Supply SA	Panama	100%	100%	Subsidiary
Puma Energy LS (Pty) Ltd	Lesotho	100%	100%	Subsidiary
Puma Energy Ltd (FZE)	Nigeria	100%	100%	Subsidiary
Puma Energy Luxembourg Sàrl	Luxembourg	100%	100%	Subsidiary
Puma Energy (Malawi) Ltd[ii]	Malawi	50%	50%	Subsidiary
Puma Energy PNG Ltd	Papua New Guinea	100%	100%	Subsidiary
Puma Energy PNG Refining Ltd	Papua New Guinea	100%	100%	Subsidiary
Puma Energy PNG Supply Ltd	Cayman Islands	100%	100%	Subsidiary
Puma Energy Senegal SA	Senegal	80%	80%	Subsidiary
Puma Energy Services (Singapore) Pte Ltd	Singapore	100%	100%	Subsidiary
Puma Energy Services South Africa (Pty) Ltd	South Africa	100%	100%	Subsidiary
Puma Energy South Africa (Pty) Ltd	South Africa	70%	100%	Subsidiary
Puma Energy Supply & Trading Pte Ltd	Singapore	100%	100%	Subsidiary
Puma Energy Tanzania Ltd[ii]	Tanzania	50%	50%	Subsidiary
Puma Energy Zambia PLC	Zambia	75%	75%	Subsidiary
Puma International Congo SA	Congo	100%	100%	Subsidiary
Puma International Financing SA	Luxembourg	100%	100%	Subsidiary
Puma Overseas Projects Pte Ltd	Singapore	100%	100%	Subsidiary
Pumangol Bunkering Lda	Angola	0%	100%	Subsidiary
Pumangol Industrial Lda	Angola	0%	100%	Subsidiary
Pumangol Lda	Angola	0%	100%	Subsidiary
RAM Petroleum (Pvt) Ltd	Zimbabwe	48%	48%	Equity investment
Redan Petroleum (Pvt) Ltd	Zimbabwe	60%	60%	Subsidiary
Refineria Petrolera de Acajutla SA de CV	El Salvador	100%	100%	Subsidiary
Rutile Investments Ltd	Mauritius	100%	100%	Subsidiary
Sakunda Petroleum (Pvt) Ltd	Zimbabwe	49%	49%	Equity investment
Tema Offshore Mooring Ltd	Ghana	100%	100%	Subsidiary
Total Lesotho (Pty) Ltd(Lesotho)	Lesotho	100%	100%	Subsidiary
Tropifuels SA	Panama	100%	100%	Subsidiary
UBI Group Ltd[ii]	Ghana	49%	49%	Subsidiary

Presented below are explanations for those entities that are consolidated despite the Group having less than 50% interest in those entities:

(i) The Group retains effective control over these entities, despite the fact that it does not hold clear majority of the shares, by virtue of the fact the Group is exposed to, or has rights to, variable returns from its involvement with the entities and has the ability to affect those returns through its power over the entities.

(ii) Management believes that the Group retains effective control over this entity as a result of there being both a shareholder and an investment agreement stipulating that the Group has 100% economic control over the entity.

The Group does not have any non-controlling interests exceeding 5% of the Group's long-term assets or 20% of the Group's operating profit.

Report of the independent auditor with consolidated financial statements at 31 December 2021 of Puma Energy Holdings Pte Ltd
3 March 2022

Opinion
We have audited the consolidated financial statements of Puma Energy Holdings Pte Ltd and its subsidiaries (the 'Group'), which comprise the consolidated statement of financial position at 31 December 2021 and the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group at 31 December 2021, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards ('IFRS').

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing ('ISA'). Our responsibilities under those provisions and standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ('IESBA Code') and we have fulfilled our ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Valuation of property and equipment, intangible assets and goodwill
Risk
At 31 December 2021, the Group's balance sheet includes property and equipment amounting to US$972m, intangible assets amounting to US$74m and goodwill amounting to US$278m. The assessment of the recoverable value of these assets for property and equipment and intangible assets, or of the relevant cash-generating unit for goodwill, incorporates significant judgement in respect of factors such as gross profits, discount rates, petroleum product prices, market shares and growth rates which are affected by expected future market or economic conditions in many different countries.

The Group's disclosures about property and equipment, intangible assets and goodwill, are included in Notes 13, 14 and 16 of the consolidated financial statements.

Our audit response
We performed the following procedures:

- We reviewed the Group's calculation of value in use or fair value less costs of disposal.
- We involved our valuation specialists to evaluate methodologies and key assumptions, such as cash flow forecasts included in the impairment assessment for each cash generating unit or asset tested on a stand-alone basis, and discount rate assumptions.
- We assessed whether the Group's disclosures about the sensitivity of the outcome of the impairment assessment to changes in key assumptions reflected the risks inherent in the valuation.
- Our audit procedures did not lead to any material reservations regarding the impairment testing.

Recoverability and recognition of deferred tax assets
Risk
At 31 December 2021, the Group had deferred tax assets on deductible temporary differences of US$78 million (2020: US$72 million), which were recognized and relate to tax losses carried forward. In addition, the Group had unrecognised tax loss carry forwards amounting to US$ 574 million (2020: US$544 million). The analysis of the recognition and recoverability of the deferred tax assets was significant to our audit because the amounts are material, the assessment process is complex and judgemental and is based on assumptions that are affected by expected future market or economic conditions.

The Group's disclosures about deferred tax assets are included in Note 11.5 of the consolidated financial statements.

Our audit response
We performed the following procedures:

- We evaluated the Group's process for the identification and evaluation of uncertain tax positions and other tax risks as well as for the assessment of the recoverability of deferred tax assets.
- We also considered the Group's process for the recording and continuous re-assessment of the related (contingent) liabilities and provisions as well as deferred taxes.
- We reviewed tax exposures estimated by management and the risk analysis associated with these exposures along with claims or assessments made by tax authorities to date.
- We analysed the tax risk provision and the related business tax risks.

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- We reviewed documentation of tax audits and considered whether exposures raised by the tax authorities have been considered.
- We analysed these with involvement of our internal tax experts, and assessed the tax risk provision.
- We tested the calculation of deferred tax assets and liabilities and analysed the management estimates relating to the recoverability of deferred tax assets.
- We analysed the offsetting and presentation of deferred tax positions.
- Our audit procedures did not lead to any material reservations regarding the recoverability of deferred tax assets.

Discontinued operations and assets held for sale
Risk
Throughout 2021 the management of the Group is in current negotiation of the divestment of Group's Infrastructure business, which comprises maritime terminals across the group as well as United Kingdom operations. The divestment is expected to be completed in 2022.

As a consequence, these operations have been classified in the balance sheet in accordance with IFRS 5 as asset held for sale and liabilities directly associated with these assets held for sale for respectively US$ 1209 million and US$ 318 million. The gain for 2021 from discontinued operations amounts to US$ 30million.

The Group's disclosures about assets held for sales and discontinued operations are included in Note 12 of the consolidated financial statements.

Discontinued operations and assets held for were significant to our audit given their materiality and the management estimate in evaluating the criteria to fulfil the classification as discontinued operations and measure assets held for sale at the lower of carrying value and fair value less cost of disposal.

Our audit response
We performed the following procedures:

- We assessed the criteria to classify as the discontinued operations and assets held for sale.
- We verified the underlying inputs and the mathematical accuracy of the fair value less cost of disposal valuation of the assets held for sale.
- We analyzed the disclosures relating to assets held for sale and discontinued operations.
- Our audit procedures did not lead to any material reservations regarding the discontinuing operation and assets held for sale classification and measurement.

Other information in the annual report
Management is responsible for the other information in the annual report. The other information comprises all information included in the annual report, but does not include the consolidated financial statements and our auditor's reports thereon. Our opinion on the consolidated financial statements does not cover the other information in the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information in the annual report and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

Responsibility of management for the consolidated financial statements
Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated 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. Management is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 ISA 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 consolidated financial statements. As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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.

- 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.
- We communicate with management 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 management 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 management, 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.

Ernst & Young Ltd

Mark Hawkins	Didier Lequin
Swiss licensed audit expert	Swiss licensed audit expert
(Auditor in charge)	

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