



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

## **CAO Announces The Appointment Of A Corporate Governance Assessment Committee**

30/06/05

Singapore, 30 June 2005 - China Aviation Oil (Singapore) Corporation Ltd ("the Company") wishes to announce that it has appointed a Corporate Governance Assessment Committee ("the Committee") to improve the corporate governance and management of the Company. The appointment follows the earlier announcement by the Company on 3 June 2005 following the release of the report prepared by PricewaterhouseCoopers ("PwC"), the Special Auditors appointed by the Company on 30 November 2004 at the direction of the Singapore Exchange Ltd under Rule 704(12) of the Listing Rules.

The objective of the Committee is to provide recommendations and advice to the Board of Directors of the Company in a forward looking manner, with respect to improving the corporate governance, management structure and systems within the Company, in order to assist the Company in its objective of successfully implementing its Scheme of Arrangement and continuing as a listed company. The terms of reference of the Committee are as follows:

1. Review and make recommendations to the Board on changes or improvements to be made to the Company's risk management systems and the strengthening of corporate governance within the Company.
2. Review and make recommendations to the Board on the Company's Board and management and staffing structure.
3. Review and make recommendations to the Board on the corporate policies and protocols and systems of the Company

The estimated timeframe to complete the work is about three months from the date of the Committee's formal constitution by the Board of Directors of the Company. The Committee is a temporary committee formed for a specific purpose and accordingly it will be dissolved upon the completion of its work.

In carrying out its terms of reference, the Committee will be assisted by the Company's external advisers, namely Deloitte & Touche Financial Advisory Services Pte Ltd and Rajah & Tann. The external advisers will perform the role of secretariat to the Committee.

The Committee will comprise 5 members, as follows;

**Mr Lim Jit Poh**

Mr Lim is the Chairman of the ComfortDelGro Corporation Limited Group of Companies. He is also a director of several public listed companies including The Ascott Group Limited, Kim Eng Holdings Limited and China Sun Bio-Chem Technology Group Company Ltd.

Mr Lim will act as Chairman of the Committee.

**Dr Wang Kai Yuen**

Dr Wang is a Member of Parliament for Bukit Timah Constituency and also the Managing Director of Xerox Singapore Software Centre. He is also the Chairman of Xpress Holdings Ltd and holds directorships in listed companies including ComfortDelGro Corporation Limited, Asian Micro Holdings Ltd, COSCO Corporation (Singapore) Ltd, Matex International Ltd, SuperBowl Holdings Ltd, and Koon Holdings Limited.

**Mrs Lee Suet Fern**

Mrs Lee is a practising advocate and solicitor of the Supreme Court of Singapore and also Senior Director of Stamford Law Corporation. Mrs Lee is also a director of several listed companies.

Madam Gu Yanfei

Madam Gu is the General Manager of the Investment Department of China Aviation Oil Holding Company. She is a non-executive director of the Company and leads the Special Task Force appointed by the Company with the authority to lead the restructuring, investigation and rehabilitation process and supervise the day to day operations of the Company. In the last seven months, Madam Gu has been instrumental in leading the efforts which culminated in the Company being able to successfully secure the overwhelming approval of creditors for the Company's scheme of arrangement.

Mr Meng Fanqiu

Mr. Meng is a deputy director and head of Enterprise Management Department of China Aviation Oil Supply Corporation ("CAOSC") under China Aviation Oil Holding Company ("CAOHC"). Mr. Meng joined CAOHC in 2003, from his previous position at the Civil Aviation Administration of China (CAAC). Mr Meng had joined CAAC in 1991 and had been mainly engaged in legal work and enterprise reform. He directly participated in drafting and enacting of the PRC Civil Aviation Law. From the year 2000, he commenced work on the reform of civil aviation management structure. He was awarded "Elite Civil Servant" by CAAC. Since he joined CAOHC, he has been engaged in corporate governance and company reform. At present he is also leading the team which is coordinating the restructuring of CAOSC.

The Company has previously stated that it accepts that there are many lessons to be learnt from this episode. Such lessons must result in changes to ensure that incidents of this nature are not repeated. The Company expects that the appointment of the Committee will assist in this and will also assist in making strong improvements in the management structure and corporate governance within the Company, and as part of its overall restructuring efforts.