

# President and CEO's Message



It is with great honour that I step into the role of President and CEO of AET, and I am deeply grateful to the Board for entrusting me with this opportunity. I also want to take a moment to acknowledge the exceptional team whose dedication has been instrumental in shaping AET into the maritime industry leader it is today, recognised widely for operational excellence and innovative solutions.

With its strong foundation, I believe AET is well-positioned for an exciting future, one where it will continue to lead in energy shipping while driving sustainable progress. As a key player in global supply chains, AET transports the energy that fuels communities and businesses worldwide. Its work serves to bridge energy producers and energy consumers, ensuring that the growing energy needs of individuals, industries and nations are met.

In 2024, we made significant strides in executing our strategic priorities under our Energy Transition Strategy and, with that, reinforced both our financial and operational strength. Our continued investment in fleet modernisation, technology and, most importantly, our people, has yielded strong results, underscoring our commitment to delivering long-term value to all our stakeholders.

Our core business, anchored by a fleet of more than 60 vessels, remains foundational to our success and growth. This solid foundation contributed to our record financial performance in FY2024. In this financial year, we achieved revenue of US\$1,097 million and net profit after tax and minority interest of US\$288 million. This achievement reflects not just financial growth, but also underscores the strength of our operation and upholds the continued confidence that both our customers and our shareholder have in our ability to deliver long-term value.

Despite operating in a challenging market environment marked by geopolitical uncertainties, volatile energy prices and evolving regulatory demands, AET remained resilient and achieved notable growth across key financial metrics in 2024. In an industry known for its cyclical nature, AET was able to navigate cyclical challenges well through its secured income strategy, which allowed it to bolster its liquidity and reduce its leverage in the year. Its cash reserves grew by 41% year-on-year to reach US\$406 million. This provided AET with a robust financial buffer to manage market fluctuations with confidence. Additionally, AET improved its net debt-to-equity ratio from 0.53 in FY2023 to 0.40 in FY2024, further enhancing its financial position.

This strong performance was driven by steady earnings across all business segments, with the Mid-Sized Tanker (MST) segment experiencing the most significant growth. In this segment, we optimised earnings by strategically deploying our vessels across spot markets, lightering contracts and time charter agreements and by aligning with market changes and customer needs. While the Very

Large Crude Carrier (VLCC) segment faced challenges from weaker demand in China and lower Middle Eastern exports, our focus on long-term charters and our differentiated dual-fuel assets helped mitigate volatility and increase revenue. Meanwhile, our Dynamic Positioning Shuttle Tanker (DPST) segment continued to be a cornerstone of secured income, providing stability amidst market fluctuations and reinforcing our long-term earnings base.

Even as we continue to strive to deliver strong financial performance, we remain committed to decarbonising our business. Reducing our carbon footprint is one of the pillars of our Energy Transition Strategy, with our key target being a 40% reduction in greenhouse gas (GHG) emissions intensity fleetwide by 2030 from a 2008 baseline. In 2024, we made significant progress towards realising this target by reducing our GHG emissions intensity by 19% compared to 2008, and improving by 7% over our 2023 performance. This progress is made possible by our fleet, which is not only one of the youngest in the industry but also one of the most environmentally friendly.

With 11 Liquefied Natural Gas (LNG) dual-fuel vessels, and orders for the world's first three ammonia dual-fuel Aframax, we are priming the AET fleet to meet the rising demand for carbon-efficient shipping solutions. In December 2024, we took another important step towards making the green transition a reality at AET with the signing of an agreement with Fleetzero for the development of the world's longest-range hybrid-electric vessel.

Moving forward, our journey to net-zero by 2050 will be steered by a structured and progressive approach. Recognising that our shipping operations are by far the largest contributor to AET's total emissions, we've developed a Tiered Decarbonisation Strategy for this domain. This strategy phases in initiatives pertaining to our shipping operations based on their technical feasibility, commercial viability and alignment with evolving market developments. By factoring in the unique characteristics of our fleet — such as technical specifications, age and operating environment — we are able to ensure a cost-effective, low-risk transition to lower emissions. This phased approach not only supports our immediate decarbonisation goals but also positions us for long-term competitiveness and resilience as the maritime industry continues to evolve.

We are also proud of the recognition we have garnered for our sustainability efforts this financial year. At The Tanker Shipping and Trade Awards 2024, AET was named Tanker Operator of the Year. The award underscores our commitment to operational excellence and sustainability, and signals the trust placed on us by our customers. This recognition is a reflection of the hard work and dedication of our people, the talent that drives us forward.

At the heart of our success is our people. In a rapidly changing energy shipping landscape, attracting, developing and

retaining diverse and innovative talent is more crucial than ever. We are deeply committed to fostering an environment where our people can thrive and empowering them to innovate and lead. Our inclusive, respectful and rewarding workplace encourages collaboration and gives us the ability to tackle the industry's most pressing challenges, from sustainability to adapting to technological advancement.

At the core of our values is safety. This is non-negotiable and embedded in everything we do. Our commitment to safety extends beyond operational excellence; it reflects our genuine concern for the well-being of our people and the safety of our customers and the cargo we carry. We cultivate a robust safety culture across every facet of our operations to ensure that safety is integrated into every decision we make and every action we take. It's not just a priority; it's foundational to our identity. We are dedicated to upholding the highest safety standards and empowering our people with the training and support needed for them to act responsibly and protect those around them.

Equally essential to our success is a strong commitment to compliance, ethics and integrity. These principles guide all our actions from our day-to-day operations to long-term strategy development. By maintaining the highest standards of integrity, we build trust with our stakeholders and ensure responsible decision-making at every level.

Looking back on 2024, I would like to extend my gratitude to my predecessor Zahid Osman for his leadership. As the maritime industry undergoes transformative shifts, I find myself reflecting on what has allowed AET to remain a trusted leader in the maritime sector. It's clear that, time and time again, whenever industry paradigms changed, AET seized the opportunity to reinvent itself, be it through fleet modernisation, the adoption of new technologies or a steadfast commitment to decarbonisation. This adaptability continues to drive us forward as we accelerate towards a more sustainable future, not only for us but for the industry as a whole.

Looking ahead, our success will hinge on both the resilience of our core operations and our ability to stay agile in a rapidly evolving landscape. Resilience stems from our disciplined approach to capital allocation, operational excellence and deep industry expertise. But resilience alone isn't enough; we will need agility in order to anticipate market shifts, turn disruptions into opportunities and lead with confidence.

By embracing new opportunities, adopting sustainable practices and staying ahead of emerging trends, AET will remain a leader in shaping a sustainable future for both its business and for the broader maritime sector.

Sincerely,

**Nick Potter**  
President and CEO