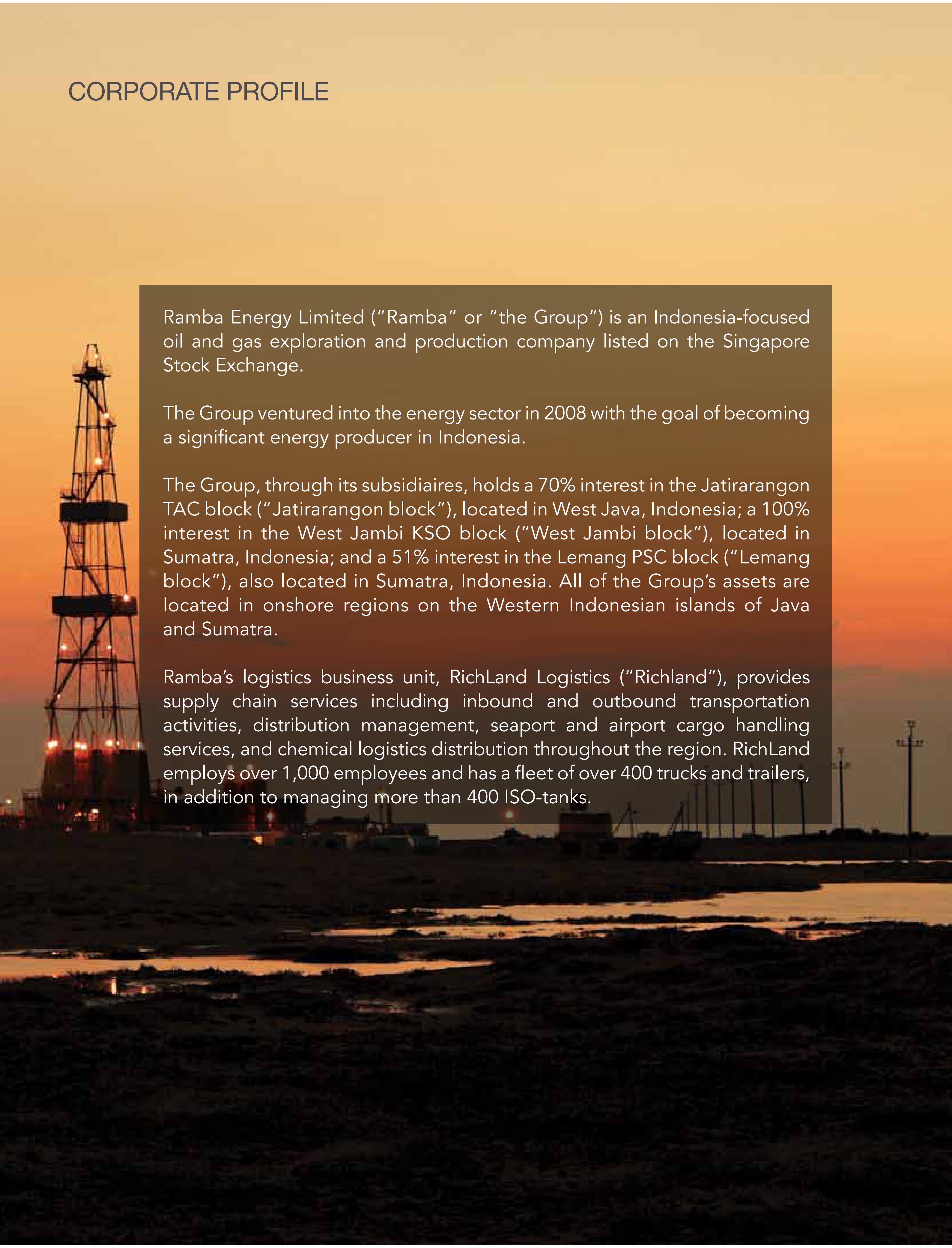
Ramba
ENERGY

SHAPED BY SOUND STRATEGY

Annual Report 2013

CONTENTS

CORPORATE PROFILE



Ramba Energy Limited ("Ramba" or "the Group") is an Indonesia-focused oil and gas exploration and production company listed on the Singapore Stock Exchange.

The Group ventured into the energy sector in 2008 with the goal of becoming a significant energy producer in Indonesia.

The Group, through its subsidiaires, holds a 70% interest in the Jatirarangon TAC block ("Jatirarangon block"), located in West Java, Indonesia; a 100% interest in the West Jambi KSO block ("West Jambi block"), located in Sumatra, Indonesia; and a 51% interest in the Lemang PSC block ("Lemang block"), also located in Sumatra, Indonesia. All of the Group's assets are located in onshore regions on the Western Indonesian islands of Java and Sumatra.

Ramba's logistics business unit, RichLand Logistics ("Richland"), provides supply chain services including inbound and outbound transportation activities, distribution management, seaport and airport cargo handling services, and chemical logistics distribution throughout the region. RichLand employs over 1,000 employees and has a fleet of over 400 trucks and trailers, in addition to managing more than 400 ISO-tanks.

CHAIRMAN'S STATEMENT

"The past year was a year of many accomplishments for the Group's oil and gas business unit, as Ramba has embarked on a new phase in its journey."

DEAR SHAREHOLDERS,

On behalf of the Board of Directors of Ramba Energy Limited, I would like to present the annual report for the year ended 31 December 2013.

SHAPED BY SOUND STRATEGY

The title of this year's annual report is "Shaped by Sound Strategy," a testament to our long-term strategy to become an energy producer for Indonesia, which we believe will bring benefits to our shareholders in Singapore. Understanding the long-term potential of Indonesia as an emerging market, our Group embarked in this long and laborious journey in 2008, while always remaining committed to our goal of creating value from Indonesia's vast natural resources.

The past year was a year of many accomplishments for the Group's oil and gas business unit, as Ramba has embarked on a new phase in its journey. After successful exploration drilling at the Group's Lemang block in May 2013, the Group spent the majority of the past year further studying the block for potential additional hydrocarbon resources. As a result of the Group's success at the block, in January 2014, the Government of Indonesia mandated that the Group transition from its exploration program to the Plan of Development ("POD") for commencement of commercial production ("COPD") in the future, enabling Ramba to produce oil and gas at a later date.

The transition to the POD brings the Group one step closer to its goal to create value from its oil and gas assets in Indonesia, as well as continuing to expand its longstanding logistics services business based in Singapore.

CAPTURING THE INDONESIA OPPORTUNITY

Indonesia, a resource-rich nation with a growing middle and consumer class, has proven to be an exciting investment destination. With strong economic fundamentals, on-going political reforms and an increasingly sophisticated business environment, we are confident in this country's future as a sound emerging market with a robust energy sector.

Few countries have experienced the economic success that Indonesia has undergone in recent years. With lingering global economic volatility triggered by the 2008 financial crisis, the past year proved to be challenging for businesses around the world, as conditions in Europe, the United States and many Asian economies still remain extremely fragile. However, in the midst of this global instability, Indonesia once again proved to be a sound investment destination. With GDP growth of 5.78% in 2013, the past year proved to be another successful year for Southeast Asia's largest economy.

Furthermore, the upgrades to the country's investment ratings in recent years by reputable agencies such as Fitch and Moody's, combined with year-on-year GDP growth of above 5% since 2010, as well as substantive political and economic reforms, have left this important emerging market largely resilient to adverse macroeconomic trends.

With Indonesia projected to become the seventh-largest economy in the world by 2030 and domestic energy demand expected to nearly triple to 17 quadrillion British thermal units*, we at Ramba understand the long-term potential of this remarkable country.

Lastly, as this year marks the 15th anniversary of Indonesia's transition to a democracy following the country's first democratic elections in 1999, the Group is proud of how far Indonesia has come in such a short period of time and remains highly optimistic when looking ahead to the country's future.

For these reasons and more, we are proud to offer investors the opportunity to invest in one of the world's most exciting and dynamic emerging markets through the security of the Singapore Stock Exchange.

COMMITTED TO SINGAPORE

In Singapore, the gateway to Southeast Asia, we see a business-friendly and diverse commerce hub with opportunities across the economic spectrum.

The past year has proven to be a landmark year for Singapore in becoming an investment destination for oil and gas exploration. Already a global destination for the downstream oil and gas sector and commodities trading, Singapore is now emerging as a destination for investment in the upstream oil and gas sector as well. The past year saw three additional oil and gas exploration and production companies list on the Singapore Stock Exchange, substantially increasing the amount of oil and gas investment opportunities in the country. Ramba is privileged to offer shareholders the opportunity to invest in the Indonesian oil and gas exploration opportunity through the security of this increasingly important stock exchange for regional oil and gas investment.

Additionally, the Group's logistics subsidiary, RichLand, continues to thrive in Singapore. Having provided logistics solutions to customers in Singapore for over 20 years, RichLand has grown to become a market leader in the country for airport handling and domestic distribution services. FY2013 was a year of continued success for the RichLand, as the business unit achieved revenue growth for the fifth consecutive year, booking revenue of approximately S$66.0 million for FY2013.

Looking ahead, the Group will work diligently to retain Singapore as its hub for regional logistics operations, and to capitalize on this small, yet important country's unique position as the gateway to Southeast Asia.

REALIZING OUR VISION

As we look to 2014 and beyond, we will continue our strategy to optimize both our oil and gas and logistics businesses, and to provide shareholders with the opportunity to capitalize on the abundance of business opportunities present in Singapore and Indonesia.

Our immediate challenge will be to continue to build upon our past successes while managing our limited resources responsibly. As oil and gas exploration is a high-risk, high-cost business, the capital expenditure required to optimize our asset portfolio is high and the process lengthy. With that said, we wish to thank shareholders for their continued patience and support as we get closer to our ultimate goal.

GRATITUDE

Lastly, we would like to thank all shareholders and stakeholders who have helped Ramba in our company's journey thus far. Furthermore, we would like to thank our Board of Directors, key management, and our external advisors for their on-going and invaluable guidance. Each member has contributed a specific set of skills, experience and values to his or her role in moving the Group forward.

We remain highly optimistic for the future, and we are excited to turn our vision into a reality through following our sound strategy.

Sincerely,

Mr Tan Chong Huat
Non-Executive Chairman

** Source: McKinsey Global Institute, "The Archipelago Economy," 2012.*

CEO'S MESSAGE

"We remain confident that the Lemang block, as well as the rest of Ramba's oil and gas assets, has the potential to take the Group's oil and gas business unit into a new era in 2014."

DEAR SHAREHOLDERS,

I am writing in the midst of great change and great opportunity for Ramba, as the last 12 months have proven to be transformational for our company.

As both our oil and gas and logistics business units continue to grow, I am pleased to share our accomplishments over the past 12 months with our valued shareholders.

OIL AND GAS

In following the Group's strategy to optimize our oil and gas assets, our oil and gas business unit reached many milestones in FY2013. With a maturing portfolio of three onshore assets located in Western Indonesia – the most favourable region in Indonesia for oil and gas exploration – the Group is continuing to explore and develop these assets for potentially greater production.

In May 2013, the Group announced its second discovery at the Lemang block, located in Sumatra, Indonesia, encountering 274 feet of gross pay in exploration drilling. This comes after the Group's initial discovery at the Lemang block in December 2012, in which the Group discovered 222 feet of gross pay.

Since this discovery, the Group has undertaken an in-depth study of the block's Akatara structure with the hopes of proving up the structure for additional hydrocarbon resources. This decision proved to be fortuitous, as in February 2014, the Group announced the third discovery at the Lemang block, with Ramba discovering oil and gas at the Akatara-2 appraisal well.

These recent discoveries, as well as the government's mandate for the Group to transition to the POD for the block, are bringing the Lemang block closer to future production.

We remain confident that the Lemang block, as well as the rest of Ramba's oil and gas assets, has the potential to take the Group's oil and gas business unit into a new era in 2014.

LOGISTICS

In addition to Ramba's emerging oil and gas business unit, the Group's logistics subsidiary, RichLand, remains a leader in Singapore and the Southeast Asia region.

Traditionally an onshore logistics services provider within Singapore, RichLand has embarked on a transformational journey to expand its regional presence and to diversify its service offerings.

Since the Group's acquisition of RichLand in 2008, RichLand has successfully moved from being a Singapore-centric enterprise, to becoming a larger, more regional and more diversified logistics solutions provider. RichLand has invested heavily in regional growth since the Group's acquisition, establishing a formal presence in Malaysia and Indonesia, both of which are vital regional markets. Additionally, RichLand has embarked on new and complex projects within the logistics sector to diversify its service offerings to clients. Most notably, RichLand began undertaking several large-scale projects for clients in the oil and gas and petrochemical sectors.

Since 2012, RichLand has been responsible for domestic warehousing and distribution operations for PT Chandra Asri Petrochemical Tbk ("CAP"), a major petrochemical company in the Indonesian market. The S$100-million, 5-year contract is not only the largest contract in the Group's history, but also establishes RichLand's presence in the Indonesian market. RichLand now manages logistics operations for CAP at 4 locations throughout Java, Indonesia. Additionally, the Group commenced butadiene distribution operations for a CAP subsidiary in FY2013, making it the first company in Indonesia to transport locally manufactured butadiene gas.

Additionally, RichLand's emerging project logistics division was awarded its first oil and gas rig mobilisation project in FY2013, successfully transporting an operational rig from Sumatra, Indonesia, to Kalimantan, Indonesia, for an established domestic oil and gas services company. The successful project is another example of the Group's efforts to diversify its service offerings to clients, and to evolve within an ever-changing industry.

In looking ahead, RichLand will continue to pursue opportunities to expand its regional footprint in new and existing markets, while keeping Singapore as its main business hub.

LOOKING AHEAD

Looking ahead, we will continue to implement our sound strategy in all future endeavours, and will continue to find ways to deliver value to our shareholders. I remain highly confident in the Group's future, and wish to thank all shareholders and stakeholders for their on-going support.

Sincerely,

Mr Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer and Executive Director

BOARD OF DIRECTORS

From left to right: Mr Bambang Nugroho, Mr Tay Ah Kong Bernard, Mr Daniel Zier Johannes Jol, Mr Tan Chong Huat, Mr Aditya Wisnuwardana Seky Soeryadjaya, Mr Chee Teck Kwong Patrick, Ms Lanymarta Ganadjaja.

"As we look to 2014 and beyond, we will continue in our strategy to optimise both our oil and gas logistics businesses, and to provide shareholders with the opportunity to capitalize on the abundance of business opportunities present in Singapore and Indonesia."

- Mr Tan Chong Huat,
Non-Executive Chariman

BOARD OF DIRECTORS

MR TAN CHONG HUAT
Non-Executive Chairman

Mr Tan Chong Huat is the Non-Executive Chairman of Ramba, holding the position since 2008. He is also the Managing Partner and one of the founding members of RHTLaw Taylor Wessing LLP. He is currently the head of its Corporate and Securities Practice.

Mr Tan has extensive experience in corporate, banking and project finance law in Singapore and the region, and has acted in numerous significant corporate transactions. He has been named a leading practitioner in many reputable professional publications.

Mr Tan is an adjunct associate professor of the Law Faculty, National University of Singapore and the Nanyang Business School, Nanyang Technological University. Besides authoring two leading pieces of literature on PRC investment laws, he has co-authored a title on "Corporate Governance of Listed Companies in Singapore," and is a co-editor for a new title on "Corporate governance: The Good, the Bad and the Ugly."

A Fellow with the Singapore Institute of Directors, Mr Tan is also chairman of corporate governance committees and director of several public listed companies.

His recent appointments include being council member of Corporate Governance Council of the Monetary Authority of Singapore and the Football Association of Singapore.

Mr Tan graduated with a degree in Law from the National University of Singapore and a Master of Law from the University of London. He is an advocate and solicitor in Singapore, a solicitor in England and Wales, and a solicitor in the Supreme Court of New South Wales, Australia. He is a Notary Public and a Commissioner for Oaths. He is a fellow of the Singapore Institute of Arbitrators and the Chartered Institute of Arbitrators and an accredited arbitrator with the China International Economic and Trade Arbitration Commission.

MR ADITYA WISNUWARDANA SEKY SOERYADJAYA
Chief Executive Officer and Executive Director

Mr Aditya Wisnuwardana Seky Soeryadjaya is the Chief Executive Officer and the Executive Director of Ramba, and a founding member of the Group in its current form.

Mr Soeryadjaya has helped develop the Group's logistics and oil and gas business units into what they are today. His vision is to make Ramba a significant energy producer in Indonesia through continued diversification and growth.

Prior to joining Ramba, he gained international work experience in the United States, working with the New York office of Ernst & Young. Additionally, he founded a real estate and mortgage brokerage company in Irvine, California that was eventually acquired by a major real estate brokerage.

In 2007, he returned to Indonesia to pursue a career in the energy sector.

Mr Soeryadjaya graduated with a Bachelor of Science degree in Accounting from the University of Southern California in Los Angeles, California, U.S.

BOARD OF DIRECTORS

MR DANIEL ZIER JOHANNES JOL
Commercial Director and Executive Director

Mr Daniel Zier Johannes Jol is the Commercial Director and the Executive Director of Ramba, and a founding member of the Group in its current form. He is responsible for the organization's strategic direction and oversees the logistics and oil and gas businesses, including the supervision of business development, rebranding, value creation and streamlining of the business. He proactively targets, assesses and executes merger and acquisition opportunities and is heavily involved in the organization's investment, fundraising and budget preparation. Mr Jol's continuous dedication to develop the Group's oil and gas business has helped transform Ramba into a growing oil and gas company in addition to being a stable logistics enterprise.

His prior experience includes Upstream Business Development at Marking Services Inc, and Operations at Ballast Ham Dredging, where he was assigned to various reclamation, soil improvement and dredging projects in Southeast Asia.

Mr Jol graduated with a Bachelor of Science degree in Civil Engineering from Purdue University in West Lafayette, Indiana, U.S., and a Master's Degree in Business Administration from National University of Singapore.

MS LANYMARTA GANADJAJA
Executive Director

Ms Lanymarta Ganadjaja is the Executive Director of Ramba. She heads the Internal Compliance Group with teams in Singapore and Indonesia. She also drives the Risk Management Committee, which reports quarterly to the Audit Committee and the Board of Directors. Ms Ganadjaja brings with her over 25 years of experience in finance, accounting and auditing. She provides valuable guidance to the Oil & Gas Accounting, tax and finance function in Indonesia.

Prior to joining Ramba, she was the Chief Financial Officer at Tristar. Additionally, Ms Ganadjaja was the Financial Controller and Management Accounting Director at PT Tirta Investama, the holding company of Aqua-Danone in Indonesia. Her previous positions include Finance and Accounting Manager at PT Ika Muda Seafoods International and Internal Auditor at Astra Group.

Ms Ganadjaja holds a degree in Economics with a major in Accounting from Parahyangan Catholic University in Bandung, Indonesia. She also holds certificates in Certified Management Accounting, the Sarbanes-Oxley Act, Actuary Calculation, Effective Budgeting, Accounting for Mergers and Consolidation Financial Reporting, and Oil & Gas Accounting and Financial Reporting.

MR BAMBANG NUGROHO
Executive Director and Technical Director

Mr Bambang Nugroho is Executive Director of Ramba and a veteran in the oil and gas industry.

Prior to joining Ramba, Mr Nugroho was the Vice President of Business Development at Elnusa Tristar Ramba Limited, where he was responsible for project creation to develop existing oil reserves and increase production. He was also with Indonesian state-owned oil and gas company Pertamina, assuming various positions including Director and CEO of the Upstream Business, Vice President of Corporate HSE, ATD of E&P Business Development, General Manager of JOB Pertamina Talisman Canada Ltd, and Exploitation Manager of South Sumatra Region.

Subsequent to Mr Nugroho's appointment at Ramba, he has since been appointed as President and CEO of Elnusa Tristar Ramba Limited. Mr Nugroho has published many papers including "Asset Management: Optimizing the Natural Resources Assets."

Mr Nugroho graduated with a degree in Petroleum Engineering from Bandung Institute of Technology in Bandung, Indonesia.

Mr Nugroho is currently a Member of the Indonesian Petroleum Association, the Society of Petroleum Engineers and the Society of Indonesian Petroleum Engineers.

BOARD OF DIRECTORS

MR CHEE TECK KWONG PATRICK
Independent Director

Mr Chee Teck Kwong Patrick, PBM, was appointed as an Independent Director in 2005.

Mr Chee is an advocate and solicitor of the Supreme Court of the Republic of Singapore since 1980 and is also admitted as a solicitor of the Senior Courts of England and Wales.

He is currently practicing as a Senior Legal Consultant with KhattarWong LLP. Mr Chee is a Notary Public and a Commissioner for Oaths. He is a member of Singapore Institute of Arbitrators and Singapore Institute of Directors. He also sits on the board of China International Holdings Limited, Hanwell Holdings Limited, CSC Holdings Limited, Singapore Windsor Holdings Limited, Tat Seng Packaging Group Ltd, Hai Leck Holdings Limited and Hengxin Technology Ltd.

Mr Chee is active in community service and he is also the recipient of the National Day Awards 2003 – The Public Service Medal from the President of Republic of Singapore.

Mr Chee holds a Bachelor of Laws (Hons) Degree from the University of Singapore.

MR TAY AH KONG BERNARD
Independent Director

Mr Tay Ah Kong Bernard is currently the Non-Executive Chairman of Crowe Horwath First Trust LLP, which is a Certified Public Accountants firm and Chairman of the Risk Committee of RHT Capital Pte. Ltd. ("RHT"). RHT is an approved SGX (Catalist) Continuing Sponsor's Company. Mr Tay is an Independent Director of several public companies listed on the SGX Mainboard and Catalist, including a dual Listing on SEHK Mainboard.

He is the President of the Automobile Association of Singapore and Chairman of Singapore Road Safety Council. Mr Tay is also the Vice President of the Singapore Productivity Association and a member of the Ministry of Home Affairs - Community Involvement Steering Committee. He was appointed as Senior Advisor to the Government of Huzhou City, Zhejiang Province of the People's Republic of China.

He is a recipient of the Service to Education Award and Community Service Medal and was conferred the Bintang Bakti Masyarakat (Public Service Star) and the Pingat Bakti Masyarakat (Public Service Medal) by the President of the Republic of Singapore.

In addition, he was a Member of the Resource Panel of the Government Parliamentary Committees for Home Affairs and Communications. He had also sat on several committees under the Accounting and Corporate Regulatory Authority, which includes the Complaints and Disciplinary Panel - Public Accountants Oversight Committee, Standing Law Review Focus Group and Directors' Duties Study Team. He was also a Member of the Singapore Corporate Awards Judging Panel for the Best Annual Report Award.

Mr Tay is a Fellow of the Association of Chartered Certified Accountants (U.K.), the Institute of Singapore Chartered Accountants and the Singapore Institute of Directors. He is also a Chartered Accountant of Malaysia.

Mr Tay has a wide range of experience from having worked in public accounting firms in the United Kingdom and Singapore, the Inland Revenue Authority of Singapore and companies in commerce, industry and management consulting for a period over 30 years.

SENIOR MANAGEMENT

MR COLIN MORAN
Logistics Director

Mr Colin Moran is the Logistics Director for Ramba and a member of the Board of Directors of Richland Global Pte Ltd, the holding company of Richland. He joined the Group in 2010.

Mr Moran brings 25 years of experience, expertise and leadership to the organization, and is fully responsible for the development of the logistics business unit. His ambition is to make RichLand one of the largest Southeast Asian-based logistics companies through continued geographic growth and business diversification within the region.

He has in-depth experience in the contract logistics, express courier and freight forwarding industries specific to the Southeast Asia region, having spent 18 years based in Singapore and Indonesia.

Prior to joining Ramba, he was the Vice President of Business Development for CEVA Logistics for the APAC region. He was also the Managing Director of TNT Logistics Asia for 5 years, responsible for the management of over 6,000 employees.

Mr Moran holds several certificates in leadership and supply chain management from leading international educational institutions.

MR LEE SECK HWEE
Chief Financial Officer

Mr Lee Seck Hwee is the Chief Financial Officer for Ramba, joining the Group since 2008. He is responsible for matters related to corporate finance and treasury, reporting, accounting and taxation for the Group. He is actively involved in the financial and related administrative functions concerning the Group's acquisition and business opportunities.

Mr Lee brings with him over 30 years of finance experience, which includes serving as Head of Finance at the group level of SMOE, Sembcorp Engineers & Constructors, Trans Eurokars, and Beloit Asia Pacific.

Mr Lee is a Chartered Certified Accountant of the U.K. and a Chartered Accountant of Singapore. He holds a Master of Applied Finance from Macquarie University in Australia. Mr Lee is a fellow of the Association of Chartered Certified Accountants (U.K.) and the Institute of Singapore Chartered Accountants.

TECHNICAL MANAGEMENT

MR CHRIS WHITMEE
Principal Technical Advisor

An industry veteran with 40 years of oil and gas experience, Mr Chris Whitmee provides counsel to Ramba for technical operations related to the Group's assets. In particular, Mr Whitmee reviews the various work programme and budget submissions, advises on specific operational programmes for the evaluation of the Group's various Indonesian assets, monitors production from the Group's producing asset and advises on optimisation.

Mr Whitmee has provided previous consulting services to major multinational oil and gas companies in various countries. He has extensive experience in the Southeast Asia region as he has provided consulting services in Indonesia, Malaysia, Bangladesh, Thailand, the Philippines and Myanmar. He has also worked in the United States, Europe and Africa in various industry positions.

Mr Whitmee holds an Honours degree in Oil Technology from the Royal School of Mines, Imperial College, University of London.

MR BAMBANG SATYA MURTI
General Manager and Technical Expert

Mr Bambang Satya Murti is the General Manager for the Lemang block and Technical Expert.

Mr Murti is a geoscientist and lead interpreter with over 20 years of experience in the petroleum industry. Prior to joining Ramba, he worked with Caltex, Huffco, ConocoPhillips, and Halliburton. His last posting was to manage a team to maximize the productivity of seven brown fields in South Sumatra.

Mr Murti is an expert in conducting and leading integrated sub-surface interpretation teams, block acquisition and evaluation. Additionally, he has published many papers and is an active member of the Indonesia Petroleum Association, and the Indonesia Geologists Association.

Mr Murti was appointed Head of Exploration for the Group in late 2013.

Mr Murti graduated with a degree in Geology from Gadjah Mada University in Jakarta, Indonesia.

TECHNICAL MANAGEMENT

MR OTONG ADISAPOETRA
Head of Health, Safety and Environmental Affairs

Mr Otong Adisapoetra is the Head of Health, Safety and Environmental Affairs for Ramba's oil and gas business unit. He is responsible for ensuring safe and sustainable operations in all areas of the Group's oil and gas operations. He is leading a "zero tolerance" policy aimed to increase safety at all Group sites. He brings a passion for safety and the environment to the position.

Prior to joining the Group, Mr Adisapoetra was the General Manager for the TAC Pertamina – Ellipse Energy Jatirarangon Wahana Ltd. (now known as Ramba Energy Jatirarangon Ltd.). With 35 years of experience in the oil and gas industry, Mr Adisapoetra has experience in various roles with IIACO (Independent Indonesia American Company/Diamond Shamrock), Maxus Southeast Sumatra Ltd, and Maxus YPF / Repsol (now CNOOC Ltd).

Mr Adisapoetra's achievements include the implementation of ISO-14001 certification for environmental management.

MR SUTIKNO YUDI SUHARJO
Senior Advisor and Technical Expert

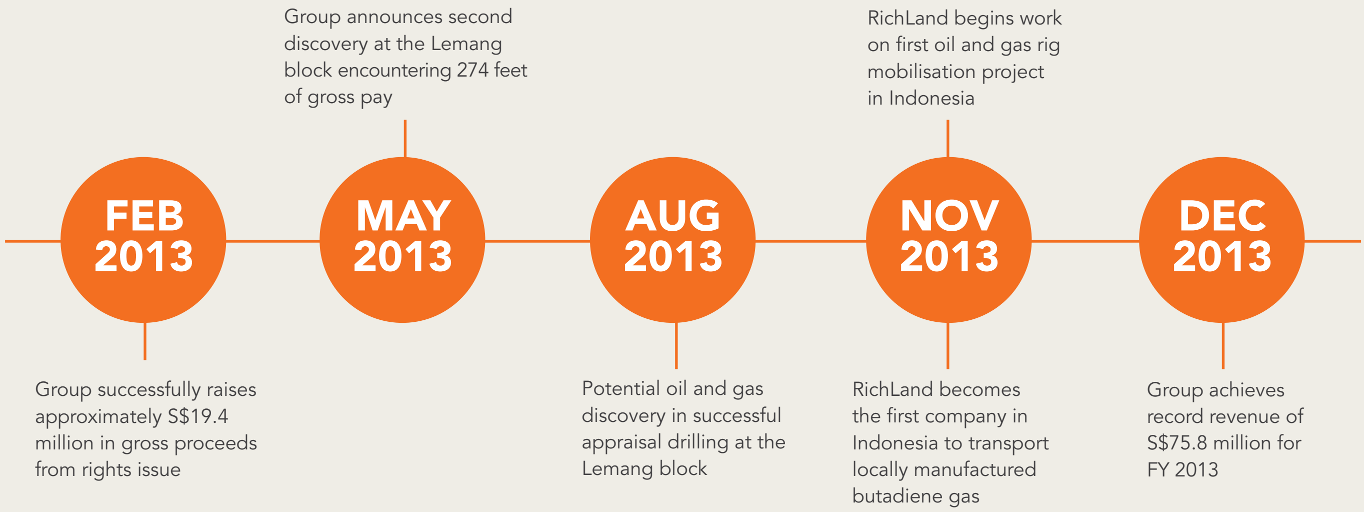
Mr Sutikno Yudi Suharjo joined Ramba in early 2012, and is a Director for two of the Group's subsidiaries, namely Ramba Energy Jatirarangon Limited and Ramba Energy West Jambi Limited.

A veteran of the Indonesian oil and gas industry with nearly 30 years of experience, he has worked for several multinational oil and gas exploration and production companies operating in Indonesia, gaining experience in both onshore and offshore operations. His previous work experience includes Asamera Oil, Gulf Resources, and ConocoPhillips. Furthermore, Mr Suharjo gained international experience with Gulf Resources, as he was responsible for the company's engineering operations at sites in Western Canada.

Mr Suharjo holds a master's degree in petroleum engineering from Tulsa University in Tulsa, Oklahoma, U.S.

FINANCIAL REVIEW

2013 MILESTONES:



CONFIDENT IN OUR SOUND STRATEGY

Building upon its success in recent years, the Group once again booked record revenue in FY2013, as total Group revenue reached S$75.8 million for the year, a 1.2% increase from S$75.0 million in revenue recorded in FY2012. The increase in revenue is attributed to the growth of the Group's logistics business unit.

In February 2013, the Group successfully completed its rights issue and allotted 96,831,204 ordinary shares, raising approximately S$19.4 million in gross proceeds. The majority of the proceeds from the rights issue were used for activities related to the Group's oil and gas work program.

The success of the rights issue serves as an example of continued shareholder confidence in the Group's management and its strategy for the future.

GREATER CONTRIBUTION FROM LOGISTICS OPERATIONS

As was the case in previous years, the majority of Group revenue for FY2013 came from the Group's logistics unit, RichLand. Successful logistics operations throughout the year resulted in the business unit booking S$66.0 million in revenue for FY2013, a 4.3% increase from the previous year.

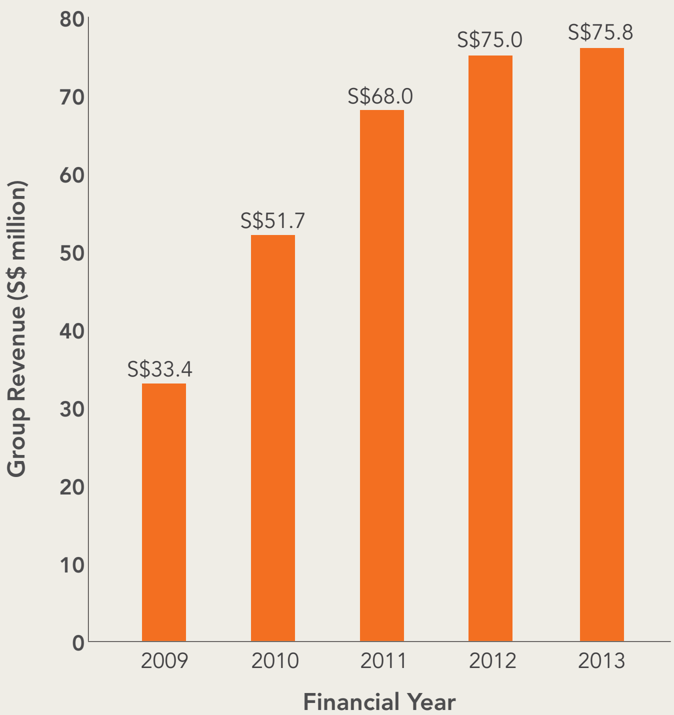
The increase in logistics revenue is attributed to increased Indonesia operations, awarding of new business to RichLand's project logistics business unit, and the successful retention of major clients in Singapore, all of which were top priorities for RichLand in FY2013.

OIL AND GAS

As for the Group's emerging oil and gas business unit, 2013 marked another year of strategic investment in the Group's exploration assets, most notably the Lemang block. The Group announced the second successful oil and gas discovery at the block in May 2013, as well as the successful completion of appraisal drilling at the block's Akatara-2 well in August 2013. This appraisal drilling was validated in February 2014, as the Group announced its third successful oil and gas discovery at the block.

Following the successful exploration at the Lemang block, the Group is making preparations for commencement of commercial production ("COCP") and will submit the plan of development ("POD") to the relevant authorities in due course.

Year-on-Year Revenue



FINANCIAL REVIEW

GREATER CONTRIBUTION FROM INDONESIA OPERATIONS

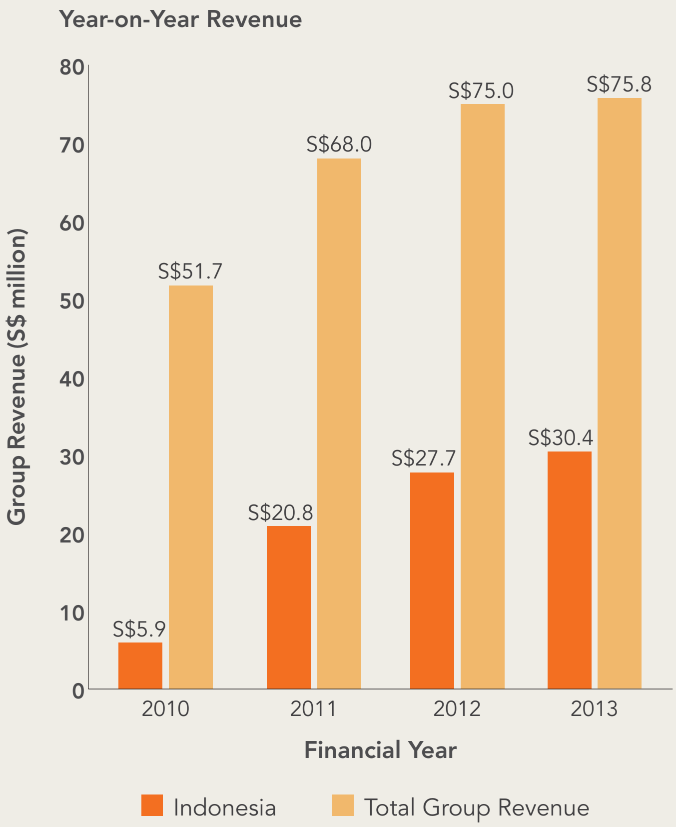
Indonesia proved to be a major contributor to the Group's revenue for FY2013. Revenue from Indonesia assets and operations comprised approximately 40% of Group revenue for FY2013, increasing to S$30.4 million.

With on-going oil and gas production, and increased revenue from logistics operations in the country, the Group is quickly establishing its presence in the Indonesian market for both of its core business units.

RichLand increased revenue from Indonesia operations after commencing operations for domestic butadiene distribution, an important industrial gas, making it the only company to transport locally manufactured butadiene gas in Indonesia.

Furthermore, the Group's project logistics business unit successfully completed its first oil and gas rig mobilisation project – moving an operational rig from Sumatra, Indonesia, to Kalimantan, Indonesia – a significant milestone for the business unit.

Indonesia vs. Total Group Revenue



BALANCE SHEET

Non-current assets increased by S$18.4 million to S$81.0 million mainly due to the increase in the investment for exploration and evaluation assets by S$13.8 million, resulting from drilling and exploration activities carried out for the Lemang and Jatirarangon blocks.

Current liabilities increased by S$6.2 million to S$34.8 million due to an external loan of S$3.6 million and higher trade payables of S$1.6 million as a result of oil and gas activities.

OPERATING COSTS AND EXPENSES

As oil and gas exploration is a high-risk, high-cost business with intensive capital expenditure required in the initial stages, the Group recorded a loss attributable to shareholders of S$15.3 million in FY2013.

The loss is the result of the Group's operating expenses increasing to S$89.9 million for the year, mainly due to on-going costs associated with the Group's continued investment in its oil and gas exploration and production activities, which include higher operating costs, equipment costs, and greater headcount for additional employees. Additionally, the Group recorded higher operating costs for its logistics business unit due to higher manpower and operating costs in Singapore as a result of changing regulations, as well as negative exposure to foreign exchange rates.

Despite the high costs associated with exploring the Group's oil and gas assets, management remains confident in its current financial position. Furthermore, the Group remains highly optimistic that the on-going investment in its Indonesian assets will be beneficial for the Group and its shareholders in the future.

BUSINESS REVIEW: OIL AND GAS

Drilling operations at the Lemang block, 2013.

OIL AND GAS TIMELINE:

- **FEBRUARY 2008:**
  Group commences acquisition of RichLand Group Limited with the intent of creating a business with two core areas of focus: oil and gas exploration and production and logistics services

- **DECEMBER 2010:**
  Group records first oil and gas revenue of S$5.2 million for FY 2010 from Jatirarangon block

- **JUNE 2011:**
  Group is awarded the West Jambi block, located in Sumatra, Indonesia; Group is given the rights to manage the block until 2031

- **JULY 2011:**
  Group's initial interest in the Lemang block valued by international petroleum consultancy DeGolyer & MacNaughton at US$193.6 million

  - 511 million barrels of oil*

  - 468 billion cubic feet of gas*

- **OCTOBER 2011:**
  Group successfully doubles production from the Jatirarangon block; oil and gas revenue increases by 61% for the year

- **DECEMBER 2012:**
  First discovery at the Lemang block; Group discovers 222 feet of gross pay at the Selong-1 well

- **MAY 2013:**
  Second discovery at the Lemang block; Group discovers 274 feet of gross pay at the Akatara-1 well

- **AUGUST 2013:**
  Group announces potential oil and gas discovery in successful appraisal drilling at Akatara-2 appraisal well

- **JANUARY 2014:**
  Group announces that Government of Indonesia mandates the transition to POD for Lemang block

- **FEBRUARY 2014:**
  Group announces third discovery at the Lemang block after successful well testing at Akatara-2 appraisal well

Note: Gross recoverable prospective resources.

BUSINESS REVIEW: OIL AND GAS

INDONESIA: A UNIQUE OIL AND GAS OPPORTUNITY

As Southeast Asia's largest economy, Indonesia remains one of the most attractive oil and gas markets in the region. With a growing middle and consumer class, Indonesia is projected to become the world's seventh-largest economy by 2030 with a projected domestic energy market worth approximately US$270 billion.*

Understanding the abundance of opportunities in the Indonesian market, the Group is committed to the country for years to come.

With proven reserves of approximately 3.7 billion barrels of oil and 103.3 trillion cubic feet of natural gas**, access to oil and gas is vital to Indonesia's continued economic growth. Ramba understands the unique opportunity to exploit oil and gas from the Group's Indonesian asset portfolio and to contribute to the country's future energy needs.

In following the Group's strategy to explore, develop and exploit onshore assets located in proven basins in Western Indonesia, Ramba is offering its shareholders the opportunity to invest in lower-risk, lower-cost assets in Indonesia. All of Ramba's assets are in proximity to necessary infrastructure and domestic energy markets, greatly simplifying the commercialization of its oil and gas discoveries.

The Group is already producing oil and gas from the Jatirarangon block, located in West Java, which has been in

**Note: McKinsey Global Institute, "The Archipelago Economy," 2012.*
***Note: BP p.l.c., "BP Statistical Review of World Energy," 2013.*

BUSINESS REVIEW: OIL AND GAS

Ramba's portfolio since 2010. Ramba successfully doubled gas production from the Jatirarangon block in 2011, resulting in a 61% increase in oil and gas revenue for the Group for that fiscal year.

The Lemang block, located in Sumatra, is the largest asset in the Group's portfolio and has been the primary focus of exploration operations during the past year. In following Ramba's first discovery in exploration drilling at the block in December 2012, the Group has made a total of three discoveries at the Lemang block.

These three exploration discoveries mark the largest in the Group's history, and affirm Ramba's strategy to create value from lower-risk, lower-cost assets.

Additionally, the West Jambi block, located in Sumatra, is the most recent addition to Ramba's asset portfolio. After being awarded the KSO agreement in 2011 by Indonesian State-owned oil and gas company PT Pertamina (Persero) ("Pertamina"), Ramba has made substantial progress in its geophysical and geological work and plans to drill two exploration wells in 2014.

BUSINESS REVIEW: OIL AND GAS

JATIRARANGON BLOCK
WEST JAVA, INDONESIA

OVERVIEW

The Jatirarangon block – Ramba's sole producing asset – is located in West Java, approximately 40 kilometres from the capital of Jakarta. As the block is strategically located in one of the most populous areas in Indonesia, it provides the Group with proximity to necessary infrastructure and domestic energy markets.

Ramba obtained 70% participating interest in the block in 2010, recording its first revenue from oil and gas production in that same year. The remaining 30% working interest is held by PT Wahana Sad Karya as a non-operator.

The Jatirarangon block has been in commercial production since 2004, and holds an estimated 56.7 billion cubic feet of gas reserves. The block comprises an area of approximately 123 square kilometres and has six known formations, Cisubuh, Cibulakan, Parigi, Baturaja, Talang Akar and Jatibarang.

Since coming into Ramba's portfolio, the Jatirarangon block has been an essential source of revenue for the Group's emerging oil and gas business unit.

GAS PRICE INCREASE

Ramba is under an agreement to supply the gas produced at the Jatirarangon block to the Indonesian gas distribution firm PT Perusahaan Gas Negara (Persero) Tbk ("PGN") until 2014. In April 2011, Ramba successfully negotiated a 70% increase in the sale price of gas with PGN to US$4.332/mmbtu with a 3% escalation per annum. In 2013, the gas sale price increased to US$4.59/mmbtu.

The Group is already in discussions with third parties for potential sale of gas from the Jatirarangon block following the expiry of its current agreement with PGN, and expects a significant increase in the sale price for gas starting in late 2014.

LONG-TERM REVENUE FROM GAS PRODUCTION

In 2010, Ramba recorded its first oil and gas revenue due to production from the Jatirarangon block, recording S$5.2 million in FY2010.

In 2011, Ramba successfully doubled gas production from the Western closure of the block, with the JRR-7 well reaching peak production levels of 4.0 million standard cubic feet per day ("mmscfd"). The increase in gas production led to the Group recording S$8.4 million in gas sales revenue in FY2011, a 61% increase from FY2010. The revenue from the on-going production from the Jatirarangon block has been beneficial as the Group's emerging oil and gas business unit continues its exploration work program.

Additionally, in 2013, the Group successfully completed development drilling at the block's JRR-1 well, deepening the well to approximately 8,900 feet. Hydrocarbons were confirmed in well log analysis, and extended well testing will be conducted in the future.

LOOKING AHEAD

The Group expects to maintain production from the Jatirarangon block in 2014 and beyond, and to continue to generate oil and gas revenue from the block. As the Group's first producing asset, the Jatirarangon block serves as an example to the Group's technical capabilities in commercializing oil and gas resources.

In the future, the Jatirarangon block will remain a core asset of the Group's oil and gas division.

BUSINESS REVIEW: OIL AND GAS

LEMANG BLOCK
SUMATRA, INDONESIA

OVERVIEW

The Lemang block is located in Jambi and Riau provinces, Sumatra, Indonesia, and is the primary focus of Ramba's current oil and gas exploration operations. The block is located in the South Sumatra basin, a proven geological basin with one of the highest technical success rates for oil and gas exploration in Indonesia.

Covering an initial area of 4,238 square kilometres, the Lemang block is the largest asset in Ramba's portfolio with over 27 prospects and leads.

The Lemang block is adjacent to the Jabung block, a currently producing block operated by PetroChina with output of approximately 53,000 barrels of oil equivalent per day ("boepd") (*Jakarta Post*, 2012).

In 2009, the Group purchased a 41% participating interest and operating rights to the block for a purchase price of US$7 million. Currently, Ramba's subsidiary, PT Hexindo Gamilang Jaya, holds a 51% participating interest in the Lemang block as a result of the Group's December 2011 restructuring with respect to its interest in the block.

The Lemang PSC agreement expires in 2037.

INDEPENDENT VALUATION OF THE BLOCK

In July 2011, Ramba announced the results of an independent, third party valuation of the Lemang block. International petroleum consultancy, DeGolyer & MacNaughton valued Ramba's 41% stake in the Lemang block at US$193.6 million*.

The report values 10 prospects and leads throughout the block, and estimates the block as holding 511 million barrels of oil and 468 billion cubic feet of gas (gross prospective recoverable resources).

The 10 prospects and leads covered by the report are Akatara, Wajik, Ampyang-1, Sagon, Arem Arem, SMD-1, CMP-1, Ampyang-2, Sagon and Wajik.

EXPLORATION SUCCESS

Since 2011, the Group's primary focus has been to explore the Lemang block's Akatara oil and gas bearing structure, located in the southeast area of the block. The 2011 DeGoyler & MacNaughton valuation of the Lemang block estimates the Akatara structure as holding approximately 147.2 million barrels of oil (gross prospective recoverable resources, unrisked).

Since this valuation, the Group has made three major hydrocarbon discoveries at the Akatara structure.

In December 2012, the Group announced its first discovery at the Lemang block, at the Selong-1 exploration well. During exploration drilling, Ramba successfully encountered 222 feet of gross pay (approximately 790 barrels oil per day ("bopd") and 16.8 mmscfd).

In May 2013, the Group announced its second discovery at the Lemang block, at the Akatara-1 exploration well, in which the Group encountered 274 feet of gross pay (approximately 11.0 mmscfd and 380 barrels of condensate per day).

Most recently, in February 2014, the Group announced its third discovery at the block, after successfully completing drilling at the Akatara-2 appraisal well. The intent of appraisal drilling was to prove up the Akatara structure for potential additional hydrocarbon resources. Drill Stem Test results were positive, indicating flow rates of 2,300 bopd and 5.4 mmscfd.

The aggregate initial flow rate of the Selong-1, Akatara-1 and Akatara-2 wells currently stands at approximately 9,500 boepd.

These discoveries mark the largest exploration discoveries in Ramba's history, and validate the Group's long-term strategy in exploring the Lemang block.

As a result of the exploration success at the Akatara structure, the Government of Indonesia has mandated that the Group transition from its exploration program to the POD for the Lemang block. As this is an important step forward in the development of the block, the Group is highly optimistic in the potential for future commercial production from the asset.

**Note: This valuation was conducted prior to the restructuring with respect to the Group's interest in the Lemang block in December 2011.*

BUSINESS REVIEW: OIL AND GAS

WEST JAMBI BLOCK
SUMATRA, INDONESIA

OVERVIEW

The West Jambi block, located in Sumatra, is the newest addition to Ramba's oil and gas portfolio. The block is located in the northern area of the hydrocarbon-rich South Sumatra basin, tectonically known as the back-arc basin. The asset comprises of two areas, West Jambi I and West Jambi II. The block is located in one of the most favourable areas for oil and gas exploration in Indonesia, as the block is strategically located in proximity to necessary infrastructure, such as the Trans Sumatra Pipeline.

Ramba holds a 100% working interest in the West Jambi block.

SUCCESSFUL BID FOR ASSET

In June 2011, Ramba formally executed a KSO agreement with Indonesian state-owned oil and gas company Pertamina following a successful bid for the West Jambi block in October 2010. The KSO gives Ramba the rights to explore and exploit the asset for 20 years.

Ramba has performed G&G studies and the reprocessing of 2D seismic data relating to the asset.

FUTURE PLANS

The Group plans to drill 2 exploration wells in 2014, as well as execute 2D seismic and begin 3D seismic at the block.

BENEFITTING FROM OUR SOUND STRATEGY

As the Group continues its oil and gas work program, it remains confident in its sound strategy.

As the recent operational success in FY2013 proves, the Group's long-term strategy is beginning to yield positive results and value creation, which management expects to be passed along to shareholders.

As the Group's work program progresses, management is excited to continue to exploit future opportunities from its maturing oil and gas business unit.

BUSINESS REVIEW: LOGISTICS

LOGISTICS TIMELINE: OVER 20 YEARS OF DELIVERING PROMISES

- **1992:**
  RichLand founded in Singapore
- **1992-2004:**
  RichLand grows to become a leading domestic logistics company in Singapore
- **2004:**
  RichLand lists on Singapore Stock Exchange Mainboard
- **2007:**
  RichLand expands into Indonesia
- **2008:**
  RichLand is acquired by Redmount Holdings Limited
- **2009:**
  Group changes its name to Ramba Energy Limited; ventures into oil and gas exploration and production and logistics services
- **2009:**
  RichLand expands into chemical logistics sector through the successful acquisition of a regional chemical logistics company, giving the Group a network of agents across the Asia Pacific region and a current fleet of 400 ISO-tanks
- **2009:**
  RichLand establishes RichLand Project Logistics
- **2010:**
  RichLand is awarded 2 major chemical logistics contracts in Indonesia
- **2011:**
  RichLand completes first marine logistics project worth S$10 million
- **2012:**
  RichLand announces S$100-million warehousing and distribution contract in Indonesia with PT Chandra Asri Petrochemical Tbk; new contract is the largest in RichLand's history and affirms RichLand's presence in Indonesia
- **2012:**
  RichLand celebrates 20-year anniversary in Singapore
- **2013:**
  RichLand completes rig mobilisation project in Indonesia, the first in the Group's history
- **2013:**
  RichLand becomes the first company in Indonesia to transport locally manufactured butadiene gas

BUSINESS REVIEW: LOGISTICS

LOGISTICS OVERVIEW

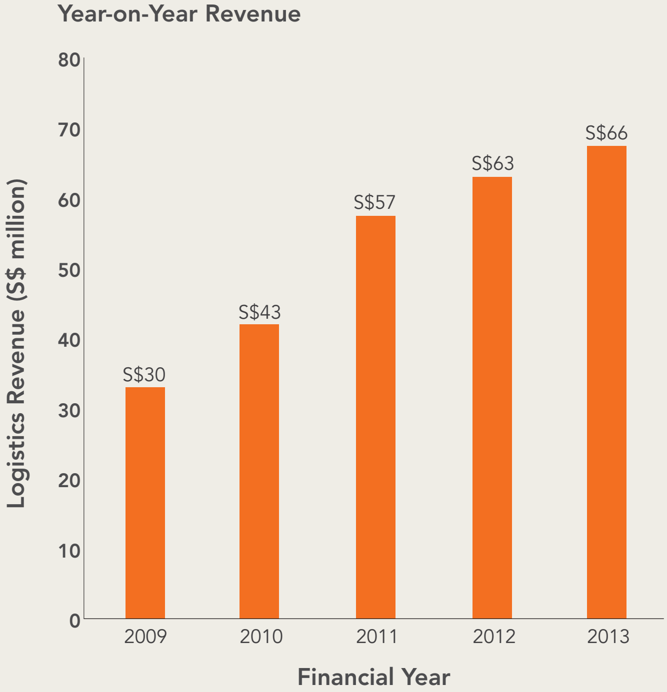
The Group's wholly-owned subsidiary, RichLand, is a thriving and longstanding logistics business with over 20 years of experience in providing logistics solutions to customers. Already a leading logistics company in airport terminal handling and domestic distribution services in Singapore, RichLand is now increasing its presence throughout the Southeast Asia region. With regional offices in Kuantan, Malaysia, and Jakarta, Indonesia – as well a network of agents spanning from India to South Korea – RichLand is in transition to become a regionally competitive logistics solutions provider across Southeast Asia.

RichLand now employs more than 1,000 staff throughout the Asia Pacific region. Additionally, RichLand operates a transport fleet of more than 400 trucks and trailers, and manages over 400 ISO-tanks. Furthermore, RichLand manages more than 1,200,000 square feet of warehousing capacity, delivering more than 2 million tonnes per year.

2013: FIFTH CONSECUTIVE YEAR OF REVENUE GROWTH

The past year saw RichLand achieve record revenue once again, as it continued its five-year trend of booking year-on-year revenue growth. In FY2013, RichLand recorded year-end revenue of S$66.0 million for the year, a 4.3% increase from FY2012. The increase in revenue is largely attributed to the Group's Indonesia operations.

Revenue figures for FY2013 reflect the commercial benefits of RichLand's on-going investments in new business opportunities across the region, as well as the results of sustained operations in Singapore. In addition to regional expansion, RichLand continued to prioritize customer retention in Singapore with value-added services, and a new push into spare parts, after-market supply and distribution.



PROJECT LOGISTICS

The Group's project logistics business unit is continuing to undertake highly complex and sophisticated logistics projects. After successfully completing its inaugural project in FY2011 – a S$10-million marine spread project for a major, international oil and gas company in the Natuna Sea, Indonesia – the business unit is now providing new and diversified service offerings to clients in the region.

In FY2013, RichLand successfully completed its first oil and gas rig mobilisation project in transporting an operational rig from Sumatra, Indonesia, to Kalimantan, Indonesia for a domestic oil and gas services company. The project is the first for RichLand in supporting onshore oil and gas operations.

Moving ahead, RichLand will continue to explore new opportunities for its project logistics division, as well as pursue opportunities for additional offshore projects.

BUSINESS REVIEW: LOGISTICS

DELIVERING PROMISES ACROSS THE ARCHIPELAGO

The past year was another year of accomplishments for RichLand's operations in Indonesia. Since refocusing on the Indonesian market in 2010, RichLand has since capitalized on the country's economic growth and strong domestic energy market. After being awarded two major chemical logistics contracts in 2010, RichLand further expanded its Indonesia operations in 2012 by securing the largest contract in the Group's history, a 5-year, S$100-million warehousing and distribution contract with CAP, a leading Indonesian petrochemical company.

FY2013 saw an expansion of this important business relationship with CAP, as RichLand signed a three-year contract with CAP subsidiary, PT Petrokimia Butadiene Indonesia, for the transportation of butadiene gas, a liquefied gas used in the production of synthetic rubber products.

The contract represents not only an important expansion of RichLand's relationship with CAP, but also enables the company to expand its chemical logistics business in Indonesia through the distribution of this important industrial gas.

RichLand is the only company in Indonesia to handle locally manufactured butadiene gas.

After years of investing in operations in the country, the Group is now seeing the benefits of its longstanding commitment to Indonesia. RichLand now employs over 500 staff in Indonesia and manages five domestic facilities in Java with over 700,000 square feet of warehousing capacity.

Additionally, RichLand delivers over 1,000,000 tonnes of cargo throughout the archipelago, amounting to approximately 4,000 truckloads per month.

ON-GOING INVESTMENTS IN INNOVATION

As an asset owner and operator, RichLand is continuously investing in assets and systems to offer its customers considerably greater control in the management of services and operations. The past year saw RichLand continue to invest in assets, technology and personnel with the goal of improving its service offerings to clients.

Most recently, RichLand has committed more than S$1 million in technology from SAP to improve productivity and visibility for both Richland and its customers.

Such technology will provide its customers with features such as dynamic route planning, GPS tracking, electronic proof of delivery, pre-alert SMS functions for B2C customers, as well as customer interfacing for visibility and a seamless flow for invoicing and settlement.

This substantial investment, combined with continuous employee training and development programs, is essential in keeping Richland at the forefront of innovation within this highly complex industry and to ensure that productivity gains are achieved.

As RichLand's IT investments gain traction within the business unit, RichLand will further push into the market for more differentiating, value-add services with greater profit margins.

BUSINESS REVIEW: LOGISTICS

CORPORATE SOCIAL RESPONSIBILITY

As a leading logistics solutions provider in Singapore, RichLand has been committed to improving road safety in the country and leading by example.

Since 2011, RichLand has been a proud supporter of the 'Safe Roads Singapore' campaign in conjunction with the Singapore Road Safety Council, Singapore Police Force and the Ministry of Home Affairs.

The campaign is part of the United Nations 'Decade of Action,' a global initiative launched in 2011 to reduce traffic deaths and injuries around the world through improved education, awareness and training on road safety.

RichLand has been a financial sponsor of the Safe Roads Singapore campaign and looks forward to working with stakeholders to improve traffic safety in all areas in which RichLand operates.

SUCCESS IN SPITE OF ADVERSITY

FY2013 proved to be a challenging yet rewarding year for RichLand, as the year marked a period of great challenges and consolidation within the logistics sector in Singapore. There is no doubt that the landscape in Singapore has changed dramatically in recent years due to changing regulations and policies towards manpower and operating procedures, which have had a significant impact on the logistics industry.

RichLand is no exception, as the business unit encountered higher manpower and operating costs in FY2013, which impacted the Group's bottom line. However, with challenges come opportunities, as is evident in RichLand's continued overseas business expansion.

The Group is extremely proud of RichLand's ability to continue to deliver its fifth consecutive year of record revenue growth despite a challenging environment in Singapore.

Looking ahead, RichLand will remain committed to getting ahead of the change curve and embracing new industry trends and practices. Whilst not an easy task, the Group understands the importance of innovating in a challenging time, and remains committed to Singapore and the Southeast Asia region.

CORPORATE GOVERNANCE REPORT

Ramba Energy Limited (the "Company") and its subsidiaries (collectively, the "Group"), are committed to setting in place corporate governance practices to provide the structure through which the objectives of protecting the shareholders' interests and enhancing long term shareholders' value are met. This report outlines the Company's corporate governance practices with specific reference made to the revised Code of Corporate Governance 2012 issued on 2 May 2012 (the "Code"), which is effective from financial year commencing on or after 1 November 2012.

BOARD MATTERS

THE BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1: Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with the Management to achieve this objective and Management remains accountable to the Board.

The Board of Directors (the "Board") comprises seven directors of whom four are executive directors, one is a non-executive and non-independent director, and two are independent directors. Their combined wealth and diversity of experience enable them to contribute effectively to the strategic growth and governance of the Group.

The role of the Board, apart from its statutory responsibilities is to:

- Set the Group's values and standards and provide entrepreneurial leadership, set the overall strategy and direction of the Group, taking into account the sustainability of the Group as part of its strategic formulation;
- Review and oversee the management of the Group's business affairs, financial controls, performance and resource allocation;
- Approve the Group's strategic plans, key business initiatives, acquisition and disposal of assets, significant investments and funding decisions and major corporate policies;
- Establish a framework of prudent and effective controls and oversee the processes of risk management, financial reporting and compliance, evaluate the adequacy of internal controls and safeguarding of shareholders' interests and the Group's assets;
- Approve the release of the Group's quarterly and full-year financial results, related party transactions of material nature and the submission of the relevant checklists to the Singapore Exchange Securities Trading Limited ("SGX-ST");
- Appoint directors and key management staff, including the review of performance and remuneration packages; and
- Assume the responsibilities for corporate governance.

To ensure that specific issues are subject to due consideration and review before the Board makes its decisions, the Board has established three Board Committees, namely, the Audit Committee ("AC"), Nominating Committee ("NC") and the Remuneration Committee ("RC"), which make their recommendations to the Board. These committees, which operate within clearly defined terms of reference, play an important role in ensuring good corporate governance in the Company and within the Group. These terms of reference are reviewed on a regular basis to ensure their continued relevance.

The Board meets regularly throughout the year. The schedule of all the Board Committee meetings for the calendar year is usually given to all the directors well in advance. During the financial year ended 31 December 2013, the Board held a total of seven meetings. Besides the scheduled meetings, the Board meets on a regular basis as and when necessary, to address any specific significant matters that may arise.

The Company's Articles of Association (the "Articles") provide for meetings of the Directors to be held by means of telephone conference or other methods of simultaneous communication by electronic or telegraphic means. The Board also approves transactions through circular resolutions, which are circulated to the Board together with all the relevant information to the proposed transaction.

CORPORATE GOVERNANCE REPORT

The frequency of meetings and the attendance of each director at every Board and Board Committee meetings are disclosed in the table below:

ATTENDANCE REPORT OF DIRECTORS

Name of Director	Board		AC		RC		NC	
	No. of meetings		No. of meetings		No. of meeting		No. of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Tan Chong Huat	7	7	6	6	6	6	1	1
Mr Aditya Wisnuwardana Seky Soeryadjaya	7	6	6	6*	6	4*	1	1*
Mr Daniel Zier Johannes Jol	7	7	6	6*	6	5*	1	1*
Ms Lanymarta Ganadjaja	7	7	6	6*	6	4*	1	1*
Mr Bambang Nugroho	7	6	6	5*	6	3*	1	1*
Mr Chee Teck Kwong Patrick	7	7	6	6	6	6	1	1
Mr Tay Ah Kong Bernard	7	6	6	6	6	6	1	1

* By Invitation

No new director was appointed by the Company during the financial year ended 31 December 2013. The Company conducts comprehensive orientation programs for new directors to familiarise themselves with the Company's structure and organisation, businesses and governance policies. The aim of the orientation program is to give directors a better understanding of the Company's businesses and allow them to assimilate into their new roles. Any director who has no prior experience as a director of a listed company will have to undergo intensive training and briefing on the roles and responsibilities of a director of a listed company. Where appropriate, the Company will provide training for first-time directors in areas such as accounting, legal and industry-specific knowledge.

New directors are also informed about matters such as the Code of Dealing in the Company's shares. Changes to regulations and accounting standards are monitored closely by the Management. To keep pace with such regulatory changes, the Company provides opportunities for on-going education on Board processes and best practices as well as updates on changes in legislation and financial reporting standards, regulations and guidelines from the SGX-ST that affect the Company and/or the directors in discharging their duties.

The Company has adopted a policy where directors are encouraged to make enquiries on any aspects of the Company's operations or business issues from Management. The Chairman or the Chief Executive Officer ("CEO") or the Company Secretary will make the necessary arrangements for the briefings, informal discussions or explanations as and when required.

Directors also have the opportunity to visit the Group's operational facilities and meet with Management to gain a better understanding of the business operations.

The Board as a whole is updated regularly on risk management, corporate governance, insider trading and key changes in the relevant regulatory requirements and financial standards, so as to enable them to properly discharge their duties as Board or Board Committee members. In addition, the Directors are encouraged to attend appropriate or relevant courses, conference and seminars conducted by professional organisation, which may be funded by the Company.

New releases issued by the SGX-ST and Accounting and Corporate Regulatory Authority ("ACRA"), which are relevant to the directors are circulated to the Board. The Company Secretary also informs the directors of upcoming conferences and seminars relevant to their roles as directors of the Company. Annually, the external auditors update the AC and the Board on the new and revised financial reporting standards.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

As of the date of this report, the Board comprises the following directors:

NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR

Mr Tan Chong Huat (Chairman)

EXECUTIVE DIRECTORS

Mr Aditya Wisnuwardana Seky Soeryadjaya
Mr Daniel Zier Johannes Jol
Ms Lanymarta Ganadjaja
Mr Bambang Nugroho

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Chee Teck Kwong Patrick
Mr Tay Ah Kong Bernard

The Board has adopted the Code's criteria of an independent director in its review and is of the view that all independent non-executive directors have satisfied the criteria of independence. Although the independent directors do not make up one-third of the Board, there is a strong and independent element. Matters requiring the Board's approval are discussed and deliberated with participation from each member of the Board. The decisions are based on collective decisions without any individual influencing or dominating the decision making process. In line with guideline 2.4 of the Code, the NC had conducted a rigorous review on the independence of the non-executive director, Mr Chee Teck Kwong Patrick, who has served the Board beyond 9 years. The relevant factors that were taken into consideration in determining the independence of Mr Chee Teck Kwong Patrick are set out under Principle 4 in pages 28 - 30.

The Board regularly examines its size and, with a view to determining the impact of its number upon effectiveness, decides on what it considers an appropriate size for itself taking into account the scope and nature of the Company's operations. The composition of the Board is reviewed annually by the NC to ensure that there is an appropriate mix of expertise and experience to enable Management to benefit from a diverse perspective of issues that are brought before the Board. Together, the directors as a group provide core competencies in business, investment, legal, audit, accounting and tax matters.

The profiles of the Board are set out in pages 40 - 42 of the Annual Report.

The non-executive and independent directors participate actively during Board meetings. The Company has benefited from Management's access to its directors for guidance and exchange of views both within and outside of the meetings of the Board and Board Committees. The non-executive and independent directors communicate amongst themselves and with the Company's auditors and senior management. When necessary, the Company co-ordinates informal meetings for non-executive and independent directors to meet without the presence of the executive directors and/or Management.

CORPORATE GOVERNANCE REPORT

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3: There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the company's business. No one individual should represent a considerable concentration of power.

The Company has a separate Chairman and CEO to ensure an appropriate balance of power, increased accountability and greater capacity for the Board in terms of independent decision making.

The Chairman of the Board is Mr Tan Chong Huat ("Mr Tan"). As the Chairman, Mr Tan is responsible for amongst others, the proper carrying out of the business of the Board at its meeting, and represents the collective leadership of the Company's Board of Directors, the exercise of control over quantity, quality and timeliness of the flow of information between the Board, Management and Shareholders of the Company. The Chairman, with the assistance of the Company Secretary, ensures that Board meetings are held when necessary. He consults the CEO in setting the board meeting agenda and ensures that adequate time is available for discussion of all agenda items. The Chairman ensures that Management provides the Board members with complete, adequate and timely information. He encourages constructive relations, mutual respect and trust between the Board and the Management and between the Executive Directors and the Independent Directors. He also takes a leading role in ensuring the Company strives to achieve and maintain a high standard of corporate governance practices by establishing a shared acceptance of core business and management values among board members.

The role of CEO is assumed by Mr Aditya Wisnuwardana Seky Soeryadjaya. As the CEO, he is responsible for the day-to-day operations of the Group. He plays an instrumental role in charting the direction and strategic development of the Group and formulates business strategies, the development of the Group, overall financial performance and the direct implementation of the policies for all aspects of the Company and the Group's operations as set out by the Board. He is to ensure that each member of the Board and Management works well together with integrity and competency.

The CEO is the most senior executive in the Company and bears executive responsibility for the Company's business, while the Chairman bears responsibility for the workings of the Board.

The Chairman and CEO's performance and appointment to the Board are reviewed periodically by the NC and their remuneration packages are reviewed periodically by the RC. The Board believes that there are adequate safeguards in place to ensure an appropriate balance of power and authority within the spirit of good corporate governance.

BOARD MEMBERSHIP

Principle 4: There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.

The Board established the NC, which currently consists of three directors, the majority of whom are independent. The NC is chaired by an Independent Director, Mr Chee Teck Kwong Patrick, who is not directly associated with a substantial shareholder, and is not a substantial shareholder. The other members are Mr Tay Ah Kong Bernard and Mr Tan Chong Huat.

The NC is regulated by its terms of reference and its key functions include:

- Reviewing the Board structure, size and composition, having regard to the scope and nature of the operations and the core competencies of the directors as a group;
- Reviewing, assessing and recommending nominees or candidates for appointment or election to the Board and various Board Committees;
- Assessing the effectiveness of the Board and Board Committees as a whole;
- Assessing the contribution, performance and effectiveness of the Board, in particular when a director has multiple board representations and having regard to the director's competencies, commitment, contribution and performance;

CORPORATE GOVERNANCE REPORT

- Establishing and reviewing the criteria on the determination of the maximum number of directorship of listed companies any director may hold;

- Reviewing the independence of the directors on an annual basis and as and when circumstances require; and

- Deciding whether a director is able to and has been adequately carrying out his or her duties as a director of the Company based on internal guidelines such as attendance, contactability and responsiveness.

The NC meets at least once a year. Pursuant to the Company's Articles of Association, each director of the Company shall retire from office at least once every three years. Directors who retire are eligible to stand for re-election.

All directors, including CEO, submit themselves for re-nomination and re-election at regular intervals of at least once every three years. Article 107 of the Articles requires one-third of the Board to retire and submit themselves for re-election by shareholders at each Annual General Meeting ("AGM"). In addition, Article 117 of the Articles provides that every new director must retire and submit themselves for re-election at the next AGM of the Company following his appointment during the year.

The dates of initial appointment and last re-election of each director are set out below:

Name of Director	**Position held on the board**	**Date of first to the Board appointment**	**Date of last re-election as Director**
Mr Tan Chong Huat	Chairman	17 February 2004	24 April 2013
Mr Aditya Wisnuwardana Seky Soeryadjaya	Director	30 June 2008	24 April 2013
Ms Lanymarta Ganadjaja	Director	30 June 2008	26 April 2011
Mr Bambang Nugroho	Director	1 August 2008	30 April 2012
Mr Daniel Zier Johannes Jol	Director	17 November 2008	30 April 2012
Mr Tay Ah Kong Bernard	Director	4 June 2008	26 April 2011
Mr Chee Teck Kwong Patrick	Director	17 February 2004	30 April 2012

The NC has also adopted internal guidelines addressing the commitments that are faced when directors serve on multiple boards. For the current financial year, the Board is satisfied that each director has allocated sufficient time and resources to the affairs of the Company. The Company has in place, policies and procedures for the appointment of new directors, including the description on the search and nomination procedures. Each member of the NC shall abstain from voting on any resolutions and making recommendations and/or participating in any deliberations of the NC in respect of his re-nomination as a director.

Despite some of the directors having multiple Board representations, the NC is satisfied that these directors are able to and have adequately carried out their duties as directors of the Company, after taking into the consideration the number of listed company board representations and other principal commitments. Currently, the Board has not determined the maximum number of listed Board representations which any director may hold. The NC and the Board will review the requirement to determine the maximum number of listed Board representations as and when it deems fit.

In considering whether an independent director who has served on the Board for 9 years is still independent, the Board has taken into consideration the following factors:

a. There was a change of the composition of the executive directors and management and controlling shareholders during the reverse takeover exercise in 2008.
b. The considerable amount of experience and wealth of knowledge that the independent director brings to the Company.
c. The attendance and active participation in the proceedings and decision making process of the Board and Committee meetings.
d. Provision of continuity and stability to the new Management at the Board level as the independent director has developed deep insight into the business of the Company and possesses experience and knowledge of the business.
e. The qualification and expertise provides reasonable checks and balances for the Management.
f. The independent director has provided adequate attention and sufficient time has been devoted to the proceedings and business of the Company. He is adequately prepared and responsive and heavily involved in the discussions at the meeting.
g. The independent director provides overall guidance to Management and act as safeguard for the protection of Company's assets and shareholders' interests.

CORPORATE GOVERNANCE REPORT

In this regard, the NC with the concurrence of the Board, has reviewed the suitability of Mr Chee Teck Kwong Patrick ("Mr Patrick Chee") being an Independent Director who has served on the Board for 9 years and has determined that Mr Patrick Chee remains independent. He abstains from voting on any resolution where it relates to his appointment.

The NC has recommended and the Board has approved the re-election of the Ms Lanymarta Ganadjaja and Mr Tay Ah Kong Bernard, who are retiring at the forthcoming AGM.

The key information regarding directors such as academic and professional qualifications, board committees served, directorships or chairmanships both present and past held over the preceding three years in other listed companies and other major appointments, whether the appointment is executive or non-executive are set out in pages 40 - 42 of the Annual Report.

BOARD PERFORMANCE

Principle 5: There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.

In line with the principles of good corporate governance, the Board has implemented a process to evaluate the effectiveness of the Board as a whole and its Board Committees. The performance criteria includes, but is not limited to, financial targets, the contribution by directors, their expertise, their sense of independence and their industry knowledge. This encourages constructive feedback from the Board and leads to an enhancement of its performance over time. The Board has met to discuss the evaluation of the Board and its Board Committees and has adopted a formal evaluation process to assess the effectiveness of the Board as a whole and its Board Committees. Following the review, the Board is of the view that the Board and its Board Committees operate effectively and each director is contributing to the overall effectiveness of the Board. The NC has decided unanimously, that the directors will not be evaluated individually but factors taken into consideration for the re-nomination are the extent of their attendance, participation and contributions in the proceedings of the meetings.

The NC, in considering the re-appointment of any director, had considered the attendance records for the meetings of the Board and its Board committees, the intensity of participation at meetings, the quality of contributions to the development of strategy, the degree of preparedness, industry and business knowledge and experience each director possesses, which are crucial to the Group's business.

ACCESS TO INFORMATION

Principle 6: In order to fulfill their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.

In order to ensure that the Board is able to fulfil its responsibilities, the Management is required to provide adequate and timely information to the Board on Board affairs and issues that require the Board's decision as well as ongoing reports relating to the operational and financial performance of the Company and the Group. For subjects that require the Board's decision, relevant management staffs are invited to attend at a specific allocated time during the Board and Board Committee meetings. Periodic financial reports and operational updates, budgets, forecasts, material variance reports, disclosure documents, board papers and any other related materials are provided to the Board; and where appropriate, prior to the Board meeting to enable the Board to be properly informed of matters to be discussed and/or approved. Directors are also informed of any significant developments or events relating to the Group. In addition, directors are entitled to request from Management such additional information as needed to make informed decisions. Management ensures that any additional information requested for is provided to the directors in a timely manner.

The Board has separate and independent access to the key management staff at all times. Where necessary, the Company will, upon the request of directors (whether as a group or individually), provide them with independent professional advice, to enable them to discharge their duties. The costs of such professional advice will be borne by the Company.

CORPORATE GOVERNANCE REPORT

The Board has independent access to the Company Secretary, who provides the Board with regular updates on the requirements of the Companies Act, all the rules and regulations of the SGX-ST and advises the Board on all governance matters. Under the direction of the Chairman, the Company Secretary ensures good information flows within the Board and its Board committees and between Management and non-executive directors. The Company Secretary or his representatives attend all Board meetings and Board Committee meetings and assist the Chairman of the Board and Board Committees in ensuring that the relevant procedures are followed and reviewed such that the Board and Board Committees function effectively. The decision to appoint or remove the Company Secretary is a decision made by the Board as a whole.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7: There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The Group's remuneration policy is to provide compensation packages at market rates, which reward successful performance and attract, retain and motivate directors and key management executives.

The RC comprises three directors, the majority of whom are independent. Mr Chee Teck Kwong Patrick chairs the RC with Mr Tan Chong Huat and Mr Tay Ah Kong Bernard as members. In discharging their duties, the members have access to advice from the internal human resources personnel, and if required, advice from external consultants.

The RC recommends to the Board a framework for the remuneration for the Board and key executives and to determine specific remuneration packages for each Executive Director, which is based on transparency and accountability.

The RC is regulated by its terms of reference and its key functions include:

- Reviewing and recommending to the Board a framework of remuneration and specific remuneration packages for all directors of the company;

- Reviewing the service contracts of the Executive Directors;

- Reviewing and enhancing the compensation structure with incentive performance base for key executives;

- Overseeing the general compensation of employees of the Group with a goal to motivate, recruit and retain employees and directors through competitive compensation and progressive policies; and

- Administering the Ramba Group Share Option Scheme ("RGSOS"), Ramba Group Performance Share Plan ("RGPSP") and any other incentive schemes which may be set up from time to time.

The Company had in year 2012 engaged Hay Group Pte. Ltd. ("Hay Group") as an independent advisor to support RC and the Board to provide a market benchmark and independent advice on total compensation structure, cash base incentive, long term incentive review and remuneration framework, including direct compensation for directors and senior management.

The RC recommends, in consultation with the Chairman of the Board, a framework of remuneration policies for key executives and directors serving on the Board and Board Committees, and determines specifically the remuneration package for each executive director of the Company. The RC considers relevant aspects of remuneration which includes but is not limited to, directors' fees, salaries, allowances, bonuses, share options performance shares and benefits in kind. In addition, the RC also reviews the remuneration of senior management. The RC's recommendations are submitted to the entire Board. Each member of the RC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC in respect of his remuneration package.

CORPORATE GOVERNANCE REPORT

The RC administers both the RGSOS and RGPSP for the Company's executives, including its directors and employees (the "Schemes"). Both Schemes will provide eligible participants with an opportunity to participate in the equity of the Company and to motivate them towards better performance through increased dedication and loyalty.

The RC determines and approves the allocation of the share options and awards, the date of grant and the price thereof under the Schemes. Details of the Schemes are set out on pages 45 - 48 of this Annual Report.

In year 2013, the Ramba Group Exploration and Production ("E&P") Cash Based Incentive Plan ("Plan") was introduced after having undergone rigorous review with Hay Group, Management, RC and the Board. The key objectives of the Plan are to reward participants for their role in creating value for Shareholders and growth potential for the Group and motivate participants to maintain a high level of performance and contribution, while attracting and retaining employees whose contributions are important to the long-term value generation, growth and profitability of the Group. The Plan will commence from the financial year ending 31 December 2014.

BOARD PERFORMANCE

LEVEL AND MIX OF REMUNERATION

Principle 8: The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.

In setting remuneration packages, the Company takes into consideration the remuneration packages and employment conditions within the industry as well the Group's relative performance and the performance of its individual directors.

The independent and non-executive directors are paid directors' fees, which takes into account factors such as the effort and time spent and the scope of responsibilities of the directors. Directors' fees are recommended by the Board for approval at the Company's AGM.

The executive directors do not receive directors' fees. The remuneration packages of the executive directors and the key management personnel comprise primarily a basic salary component and a variable component which is inclusive of bonuses, based on the performance of the Group as a whole and their individual performance and other benefits. This performance-related remuneration aligns the interests of the executive directors with that of the shareholders and promotes the long-term success of the company.

The service contracts entered into with the four Executive Directors, namely (1) Mr Aditya Wisnuwardana Seky Soeryadjaya, (2) Mr Daniel Zier Johannes Jol, (3) Ms Lanymarta Ganadjaja, and (4) Mr Bambang Nugroho are reviewed by the RC. The service contracts include a fixed term of appointment with termination by either party giving to the other not less than six months prior written notice.

CORPORATE GOVERNANCE REPORT

DISCLOSURE ON REMUNERATION

Principle 9: Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.

A breakdown showing the level and mix of each Director (only those who were in service for FY2013) is as follows:

Directors

Names	Salary %	Bonus %	Other Benefits %	Share Options % [3]	Share Awards % [4]	Directors' Fees %	Total %
S$750,000 to S$1,000,000							
Aditya Wisnuwardana Seky Soeryadjaya [2]	27.93%	12.85%	0.00%	0.00%	59.22%	0.00%	100%
S$500,000 to S$750,000							
Lanymarta Ganadjaja	42.28%	9.37%	0.00%	7.63%	40.72%	0.00%	100%
Daniel Zier Johannes Jol	46.09%	7.63%	3.40%	0.00%	42.88%	0.00%	100%
Below S$250,000 to **S$500,000**							
Bambang Nugroho	38.52%	9.54%	0.00%	0.00%	51.94%	0.00%	100%
Tan Chong Huat [1]	0.00%	0.00%	13.27%	0.00%	37.79%	48.94%	100%
Below S$250,000							
Chee Teck Kwong Patrick [1]	0.00%	0.00%	0.00%	0.00%	55.91%	44.09%	100%
Tay Ah Kong Bernard [1]	0.00%	0.00%	0.00%	0.00%	55.91%	44.09%	100%

Notes:
[1] Directors' Fees for FY2013 were approved by shareholders on 24 April 2013.
[2] Son of substantial shareholder, Mr Edward Seky Soeryadjaya.
[3] 174,715 Options were exercised during the financial year.
[4] Share Awards vested by the Company during the financial year.

The Board believes that it is for the benefit of the Company and the Group that the remuneration of the Executive Directors is kept confidential, due to its sensitive nature. Similarly, the remuneration of the top executives (who are not directors of the Company) was shown on a "no name" basis due to the Company's concern over poaching of these executives by competitors.

TOP 5 EXECUTIVES OF THE GROUP

The gross remuneration received by the top 5 executives of the Group is as follows:

Range	No of Executives
Below S$250,000	**1**
S$250,000 to S$500,000	**3**
S$500,000 to S$750,000	**1**

As at 31 December 2013, we have an employee, Mr Franciscus Dewana Darmapuspita (the "Related Employee") who is, the spouse of Ms Lanymarta Ganadjaja, an Executive Director of the Company. He is a President Director of PT Hexindo Gemilang Jaya, a subsidiary of the Group.

The basis of determining the remuneration of this Related Employee is the same as the basis of determining the remuneration of other unrelated employees. The gross remuneration received by the Related Employee is in the range between S$100,000 to S$150,000 during the financial year ended 31 December 2013.

CORPORATE GOVERNANCE REPORT

ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

Principle 10: The Board should present a balanced and understandable assessment of the Company's performance, position and prospects.

The Board understands its accountability to the shareholders on the Group's position, performance and progress. The objectives of the presentation of the annual audited financial statements, full-year and quarterly results to its shareholders are to provide the shareholders with a balanced and understandable analysis and explanation of the Group's financial performance, position and prospects.

In line with the SGX Listing Rules, the Board provides a negative assurance statement to the shareholders in respect of the interim financial statements. For the financial year under review, the CEO and the Chief Financial Officer have provided assurance to the Board on the integrity of the Group's financial statements.

The Management provides the Board with a continual flow of relevant information on a timely basis in order that it may effectively discharge its duties. The Management understands its role to provide all members of the Board with a balanced and understandable assessment of the Group's performance, position and prospects.

RISK MANAGEMENT AND INTERNAL CONTROLS

Principle 11: The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The Board is responsible for the overall internal control framework, but acknowledges that no cost-effective internal control system will preclude all errors and irregularities. The system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss. The internal controls in place will address the financial, operational and compliance risks and the objectives of these controls are to provide reasonable assurance that there are no material financial misstatements or material loss, there is proper maintenance of accounting records, financial information is reliable, and assets are safeguarded.

The Group has in place a Risk Management Committee ("RMC") comprising of Executive Directors and Senior Management to assist the Board in its oversight of risk governance and risk management in the Group.

An Enterprise Risk Management ("ERM") programme has been implemented to identify, prioritise, assess, manage and monitor key risks. The risk management process in place covers, *inter alia*, financial, operational (including information technology) and compliance risks faced by the Group. Key risks identified are deliberated by Senior Management, and reported to the RMC on a quarterly basis. The RMC reviews the adequacy and effectiveness of the ERM programme against identified significant risks vis-à-vis changes in the Group's operating environment.

Complementing the ERM programme is a Group-wide system of internal controls, which includes the Code of Conduct, documented policies and procedures, proper segregation of duties and approval procedures and authorities.

To ensure that internal controls and risk management processes are adequate and effective, the AC is assisted by various independent professional service providers. The assistance of the internal and external auditors enabled the AC to carry out assessments of the effectiveness of key internal controls during the year. Any material non-compliance or weaknesses in internal controls or recommendations from the internal and external auditors to further improve the internal controls were reported to the AC. The AC will also follow up on the actions taken by the Management on the recommendations made by the internal and external auditors.

CORPORATE GOVERNANCE REPORT

The Directors have received assurances from the CEO, Chief Financial Officer and Management of the subsidiaries in the form of representation letters that the financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and that the risk management and internal control systems are operating effectively.

Based on the internal controls and risk management processes established and maintained by the Group, work performed by the internal and external auditors and the internal compliance term, and reviews performed by management, the Board with the concurrence of the Audit Committee, is of the opinion that the Group's internal controls and risk management procedures are adequate in addressing the financial, operational (including information technology) and compliance risks of the Group.

AUDIT COMMITTEE

Principle 12: The Board should establish an AC with written terms of reference which clearly set out its authority and duties.

The AC currently comprises three directors, the majority of whom are independent. Mr Tay Ah Kong Bernard chairs the AC. The other members are Mr Chee Teck Kwong Patrick and Mr Tan Chong Huat.

The Board is of the view that the members of the AC are appropriately qualified in that they have sufficient accounting or related financial management expertise and experiences to discharge the AC's function.

The AC comprises members who have sufficient experience in finance, legal and business fields.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Company's assets, maintain adequate accounting records and develop and maintain effective systems of internal control.

The Terms of Reference of the AC is in accordance with the guidelines recommended in the guidebook by the Audit Committee Guidance Committee released in October 2008 and the Code.

The principal responsibilities of the AC are set out in the terms of reference and its key functions include:

- Reviewing with the Group's external auditors, their audit plan, evaluation of the internal accounting controls, audit report, and any matters which the external auditors wish to discuss;

- Reviewing the Group's financial reports to ensure its integrity and all financial announcements relating to the Group's financial performance for submission to the Board for approval;

- Reviewing with the internal auditors, the scope and results of internal audit procedures as well as the effectiveness of the internal audit function and their evaluation of the internal control system, including financial, operational, compliance and information technology controls;

- Reviewing interested person transactions in accordance with the requirements of the SGX-ST Listing Manual;

- Evaluating the scope and results of the audit and its cost effectiveness and the objectivity and independence of the external auditors annually and nominating external auditors for appointment or re-appointment;

- Reviewing the Company's procedures for detecting fraud and whistle-blowing matters and ensure that arrangements are in place by which the Group's personnel may, in confidence, raise concerns about possible improprieties in matters of financial reporting, financial control, or any other matters; and

- Consider the appointment or re-appointment of the external auditors and matters relating to resignation or dismissal of the auditors.

CORPORATE GOVERNANCE REPORT

The AC has the explicit authority to investigate any matter within its terms of reference and will have full access to and co-operation by the Group's management. It has the discretion to invite any director or member of the Group's management to its meetings. The AC has been given reasonable resources to enable it to discharge its functions properly. The AC has, within its terms of reference, the authority to obtain independent professional advice and reasonable resources at the Company's expense to enable it to discharge its functions properly.

Where, by virtue of any vacancy in the membership of the AC for any reason, the number of members is reduced to less than three (3), the Board shall, within three (3) months thereafter, appoint such number of new members to the AC. The AC meets at least four (4) times a year and as and when necessary.

Apart from the duties listed above, the AC shall commission and review the findings of internal investigations into matters when there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. Each member of the AC shall abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the AC in respect of matters in which he is interested.

Annually, the AC meets with the internal and external auditors separately without the presence of the Management to review any matter that might be raised. For the financial year under review, the AC had reviewed the non-audit services provided by the external auditors, which comprise tax advisory services and was satisfied to the extent that such services would not prejudice the independence and objectivity of the external auditors. The fees that were charged to the Group by the external auditors for audit and non-audit services were approximately S$181,000 and S$67,000 respectively for the financial year ended 31 December 2013.

The AC has recommended to the Board the re-appointment of Ernst & Young LLP, as external auditors at the forthcoming AGM of the Company.

The AC and Board of Directors of the Company confirmed that in appointing the auditing firms for the Company, subsidiaries and significant associated companies, the Group has complied with SGX-ST Listing Rules 712 and 715 respectively.

FRAUD AND WHISTLE-BLOWING POLICY

The AC has in consultation with the Board, initiated the implementation of fraud and whistle-blowing policy for all employees including overseas subsidiaries and associates. This policy aims to provide an avenue for employees to raise concerns and provide reassurance that they will be protected from reprisals or victimisation for raising any concerns about incidents of fraud and whistle-blowing in good faith.

The Board noted that no incidents in relation to the fraud and whistle blowing matters have been raised during the year by any staff to indicate possible improprieties in matters of financial reporting, financial control, or any other matters.

CORPORATE GOVERNANCE REPORT

INTERNAL AUDIT

Principle 13: The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company had outsourced its internal audit functions to the independent internal auditors, Messrs Crowe Horwath First Trust Risk Advisory Pte Ltd ("IA") for the financial year ended 31 December 2013. The internal audit plan was submitted to the AC for approval prior to the commencement of the internal audit work. The IA had reviewed the effectiveness of key internal controls in accordance with the internal audit plan and presented the internal audit reports to the Board. The IA has a direct and primary reporting line to the AC and assists the AC in overseeing and monitoring the implementation and improvements required on internal control weaknesses identified.

Mr Tay Ah Kong Bernard, AC Chairman of the Company, has declared to the Directors that he is the non-executive chairman of Crowe Horwath First Trust LLP, which is a separate but related entity to our outsourced internal auditors, Crowe Horwath First Trust Risk Advisory Pte Ltd. The NC with the concurrence of the Board is of the view that there is no conflict of interest arising from his capacity as non-executive chairman of Crowe Horwath First Trust LLP. He abstains from voting on any resolution where it relates to the appointment of Crowe Horwath First Trust Risk Advisory Pte Ltd and Crowe Horwath First Trust LLP.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

SHAREHOLDER RIGHTS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognize, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.

In line with the continuous obligations of the Company under SGX-ST Listing Manual and the Companies Act, high standard of transparent corporate disclosure, the Board firmly believes that all shareholders should be equally and on a timely basis be informed of all major developments that would be likely to materially impact the Group. The Company does not practice selective disclosures as all material and price-sensitive information is released through SGXNET.

All the shareholders will receive Annual Report together with the notice of Annual General Meeting ("AGM") by post, published in a newspaper and via SGXNET within the mandatory period. Besides that, all the shareholders also will receive the relevant circular together with the notice of Extraordinary General Meeting ("EGM") by post, published in a newspaper and via SGXNET. Accompanying the notice of AGM and EGM, a copy of the proxy form is attached for the shareholders, so that the shareholders may appoint maximum up to 2 proxies to attend, vote and question the Board and Management, for and on behalf of the shareholders who are not able to attend the general meeting personally.

In view of the above, all the shareholders are given an opportunity to participate effectively and vote at the general meetings.

CORPORATE GOVERNANCE REPORT

Principle 15: Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.

The Company adopts the practice of providing adequate and timely disclosure of material information to its shareholders. Where there is inadvertent disclosure made to a selected group, the Company will make the same disclosure publicly as soon as practicable.

Communication is made through:

- Annual reports that are prepared and sent to all shareholders. The Board ensures that the annual report includes all relevant information about the Company and the Group, including future developments and other disclosures required by the Singapore Companies Act and Singapore Financial Reporting Standards;
- Quarterly announcements containing a summary of the financial information and affairs of the Group for that period;
- Notices of an explanatory memoranda for AGM and EGM;
- Press and news releases on major developments of the Company and the Group;
- Disclosure of all major announcements to the SGX-ST; and
- The Company's website at http://www.ramba.com at which our shareholders can access financial information, corporate announcements, press releases, annual reports and a profile of the Group.

The Company does not practice selective disclosure, price sensitive information is first publicly released through SGX-Net prior to the Company meeting with any investors or analysts. All shareholders of the Company will receive the Annual Report with notice of AGM.

Principle 16: Companies should encourage greater shareholder participation at AGMs, and allow shareholder the opportunity to communicate their views on various matters affecting the company.

Our shareholders are encouraged to attend the AGM to ensure a high level of accountability and to be updated on the Company's strategies and goals. Notice of the AGM is dispatched to shareholders, together with explanatory notes or a circular on items of special businesses (if necessary), at least fourteen clear calendar days before the meeting. The Board welcomes questions from shareholders who wish to raise issues, either informally or formally before or during the AGM. Voting procedures and rules that govern general meetings of shareholders are clearly disclosed to the shareholders in the AGM. The Chairman of the AC, NC and RC are normally present and available to address questions relating to the work of their respective committees at general meetings. Furthermore, the external auditors are present to assist our Board in addressing any relevant queries by our shareholders.

The Board also notes that there should be a separate resolution on each substantially separate issue that is to be tabled at the general meeting. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution. Separate resolutions are proposed for substantially separate issues at the meeting.

MATERIAL CONTRACTS

Save as disclosed in the Directors' Report and notes to the financial statements, there are no other material contracts of the Company or its subsidiaries involving the interest of any director or controlling shareholders subsisting as at the financial year ended 31 December 2013.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

The Board is mindful of its obligations to comply with Chapter 9 of the SGX Listing Manual in respect of interested person transactions. The AC reviews the interested person transactions as and when they arise and on a quarterly basis to ensure that the relevant disclosure on the transactions is complied with and that all interested person transactions are conducted at arm's length and on normal commercial terms. In addition, where there is a potential conflict of interest, the Board ensures that the Director involved does not participate in discussions and refrains from exercising any influence over other matters of the Board.

Save as disclosed in the Director's Report and notes to the financial statements, there were no interested party transactions between the Company and any of its interested persons (namely, directors, executive officers or controlling shareholders of the Group or the associates of such directors, executive officers or controlling shareholders) subsisting for the financial year ended 31 December 2013.

The Company does not have any shareholders' mandate for interested person transactions.

DEALINGS IN SECURITIES

The Company has adopted its own internal Code of Conduct to provide guidance to all officers and employees of the Company and its subsidiaries with regard to dealings in the Company's securities in compliance with Rule 1207 (19) of the Listing Manual of the SGX-ST. In compliance with the SGX-ST Listing Manual, the Company, the Group's officers and employees are prohibited from dealing in the Company's securities while in possession of unpublished price-sensitive information of the Group, as well as during the periods commencing two weeks before the announcement of the Company's quarterly results and one month before the announcement of the Company's full year results and ending on the date of the announcement of the relevant results.

Directors and executives are also expected to observe insider-trading laws at all times even when dealing with securities within the permitted trading period and they are not to deal in the Company's securities on short-term considerations.

UTILISATION OF PROCEEDS

The Company has progressively announced via SGXNET on the utilisation of the net proceeds raised from the rights issue amounting to S$18.43 million on 1 February 2013 (the "Net Proceeds"). The Company has updated shareholders on the utilisation of the Net Proceeds in its announcements released on 21 February 2013, 17 April 2013 and 17 July 2013. As to date, the Net Proceeds has been fully utilised and is in line with the intended uses as stated in the Offer Information Statement.

NON-CONFLICT OF INTERESTS

Mr Tan Chong Huat, non-executive Chairman of the Company, has declared to the Directors that he is the Managing Partner of RHTLaw Taylor Wessing LLP ("RHTLaw Taylor Wessing") and a director and a shareholder (holding in trust for beneficiaries) of RHT Corporate Advisory Pte. Ltd. ("RHT Corporate Advisory"). We are not presently aware of any conflict of interest arising from his aforesaid roles. He abstains from any voting on any resolution where it relates to the appointment of RHTLaw Taylor Wessing or RHT Corporate Advisory and their related companies.

Mr Tay Ah Kong Bernard, AC Chairman of the Company, has declared to the Directors that he chairs the risk committee of RHT Capital Pte. Ltd. ("RHT Capital") from 26 August 2011. Mr Tay is appointed as the independent Chairman and member of the risk committee of RHT Capital which, *inter-alia*, oversees and advises on all risk, independence and conflict of interest aspects of RHT Capital's activities. Mr Tay is not a shareholder or Director of RHT Capital. The NC with the concurrence of the Board is of the view that there is no conflict of interest arising from his aforesaid roles. He abstains from any voting on any resolution where it relates to the appointment of RHTLaw Taylor Wessing or RHT Corporate Advisory which are related to RHT Capital.

APPLICATION FOR WAIVER OF DISCLOSURE REQUIREMENTS IN QUALIFIED PERSON REPORT ("QPR")

The Company has on 24 March 2014 submitted an application to SGX- ST to seek a waiver of the disclosure requirements in Rule 705(7) of the Listing Manual and the Annual Report QPR disclosure requirements in Rule 1207(21) and Practice Note 6.3 for Mineral, Oil and Gas Companies. The Company will update shareholder in due course.

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Directorship/ in other Listed Companies and other major appointments	Past directorships in other Listed Companies and other major appointments over the preceding 3 years
Mr Tan Chong Huat	Bachelor of Law degree from the National University of Singapore and Master of Law degree from the University of London. He is an Advocate and Solicitor in Singapore, England and Wales, and New South Wales, Australia, a Notary Public and a Commissioner for Oaths	Non-executive Chairman and Non-independent Director	Member of the Audit Committee, Nominating Committee, and Remuneration Committee, and Non-executive Chairman of the Board	17 Feb 2004	• SIIC Environment Holdings Ltd *(formerly known as Asia Water Technology Ltd)* • Ascendas Hospitality Trust Management Pte Ltd • Ascendas Hospitality Fund Management Pte Ltd	• Swissco Holdings Limited • Luye Pharma Group Limited • P99 Holdings Limited *(formerly known as China Fashion Holdings Limited)*
Mr Aditya Wisnuwardana Seky Soeryadjaya	Bachelor of Science degree in Accounting from the University of Southern California in Los Angeles, California, USA	Chief Executive Officer and Executive Director	NIL	30 Jun 2008	NIL	NIL
Mr Daniel Zier Johannes Jol	Bachelor of Science degree in Civil Engineering from Purdue University in West Lafayette, Indiana, USA and Master in Business Administration degree from the National University of Singapore	Commercial Director and Executive Director	NIL	17 Nov 2008	NIL	NIL

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Directorship/ in other Listed Companies and other major appointments	Past directorships in other Listed Companies and other major appointments over the preceding 3 years
Ms Lanymarta Ganadjaja	Degree in Economics with a major in Accounting in Parahyangan Catholic University in Bandung, Indonesia	Executive Director	NIL	30 Jun 2008	NIL	NIL
Mr Bambang Nugroho	Degree in Petroleum Engineering from the Bandung Institute of Technology in Bandung, Indonesia	Executive Director	NIL	1 Aug 2008	NIL	NIL
Mr Chee Teck Kwong Patrick	Bachelor of Law (Hons) degree from the University of Singapore. He is an Advocate and Solicitor of the Supreme Court of the Republic of Singapore Since 1980, a Notary Public and a Commissioner for Oaths He is admitted as a Solicitor of the Senior Courts of England and Wales	Independent Director	Chairman of the Nominating Committee and Remuneration Committee and member of the Audit Committee	17 Feb 2004	• CSC Holdings Limited • Hengxin Technology Ltd • Hai Leck Holdings Limited • Hanwell Holdings Limited (*formerly known as PSC Corporation Ltd*) • Tai Seng Packaging Group Ltd • China International Holdings Limited	• Singapore Windsor Holdings Limited

CORPORATE GOVERNANCE REPORT

PARTICULARS OF DIRECTORS PURSUANT TO THE CODE OF CORPORATE GOVERNANCE

Name of Director	Academic/ Professional Qualifications	Board Appointment Executive/ Non-executive	Board Committees as Chairman or Member	Directorship Date First Appointed	Directorship/ in other Listed Companies and other major appointments	Past directorships in other Listed Companies and other major appointments over the preceding 3 years
Mr Tay Ah Kong Bernard	Fellow of the Association of the Chartered Certified Accountants of United Kingdom, the Institute of Singapore Chartered Accountants, and the Singapore Institute of Directors. He is also a Chartered Accountant of Malaysia.	Independent Director	Chairman of the Audit Committee, member of the Nominating Committee and Remuneration Committee	4 Jun 2008	• China Hongxing Sports Limited • China Yongsheng Limited • Hengxin Technology Ltd • SIIC Environment Holdings Ltd (*formerly known as Asia Water Technology Ltd*) • OEL (Holdings) Limited (*formerly known as Oakwell Engineering Limited*)	• Juken Technology Limited (delisted on 4 December 2012)

The details on shareholdings of the directors are disclosed on pages 44 - 45 of the Annual Report under Directors' Interest in Shares or Debentures section of the Directors' Report.

FINANCIAL CONTENTS

DIRECTORS' REPORT

The Directors are pleased to present their report to the members together with the audited consolidated financial statements of Ramba Energy Limited (the "Company") and its subsidiaries (collectively, the "Group") and the balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2013.

DIRECTORS

The Directors of the Company in office at the date of this report are:

Tan Chong Huat	-	Non-Executive Chairman/Director
Aditya Wisnuwardana Seky Soeryadjaya	-	Chief Executive Officer/Executive Director
Daniel Zier Johannes Jol	-	Executive Director
Lanymarta Ganadjaja	-	Executive Director
Bambang Nugroho	-	Executive Director
Chee Teck Kwong Patrick	-	Independent Director
Tay Ah Kong Bernard	-	Independent Director

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES AND DEBENTURES

Except as disclosed in the share options section below, neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

DIRECTORS' INTERESTS IN SHARES

The following Directors, who held office at the end of the financial year, had, according to the register of directors' shareholdings required to be kept under Section 164 of the Singapore Companies Act, Chapter 50, interests in shares and share options of the Company as stated below:

NAME OF DIRECTOR	HOLDINGS AT BEGINNING OF THE YEAR	HOLDINGS AT END OF THE YEAR
The Company		
Aditya Wisnuwardana Seky Soeryadjaya		
- Ordinary shares	2,992,000	5,331,652
- Options to subscribe for ordinary shares between 03/10/2013 to 22/3/2018	619,000	1,843,633
Daniel Zier Johannes Jol		
- Ordinary shares	966,000	1,869,266
- Options to subscribe for ordinary shares between 03/10/2013 to 22/3/2018	874,000	1,875,424
Lanymarta Ganadjaja		
- Ordinary shares	795,000	1,723,290
- Options to subscribe for ordinary shares between 03/10/2013 to 22/3/2018	874,000	1,503,709

DIRECTORS' REPORT

DIRECTORS' INTERESTS IN SHARES (CONT'D)

NAME OF DIRECTOR	HOLDINGS AT BEGINNING OF THE YEAR	HOLDINGS AT END OF THE YEAR
Bambang Nugroho		
- Ordinary shares	720,000	1,443,575
- Options to subscribe for ordinary shares between 03/10/2013 to 22/3/2018	874,000	1,494,424
Tan Chong Huat		
- Ordinary shares	364,000	725,568
Chee Teck Kwong Patrick		
- Ordinary shares	300,000	591,075
Tay Ah Kong Bernard		
- Ordinary shares	250,000	521,075

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2014.

Except as disclosed in this report, no Director who held office at the end of the financial year had interest in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year, or at the end of the financial year.

DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the Director, or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

SHARE OPTIONS

At an Extraordinary General Meeting held in 2007, shareholders approved the Ramba Group Share Option Scheme ("RGSOS") for the granting of non-transferable options that are settled by physical delivery of the ordinary shares of the Company, to eligible senior executives and employees respectively.

The Remuneration Committee ("RC") is responsible for administering the RGSOS and the Ramba Group Performance Share Plan ("RGPSP").

The RC comprises three directors, Mr Chee Teck Kwong Patrick (Chairman), Mr Tan Chong Huat and Mr Tay Ah Kong Bernard.

At the Annual General Meeting ("AGM") of the Company duly held on 30 April 2012, the Company's shareholders approved the grant of 619,000 share options at the exercise price of S$0.39 per share to Mr Aditya Wisnuwardana Seky Soeryadjaya, an associate of the controlling shareholder of the Company.

On 14 September 2012, the Company made an offer to grant 1,332,000 share options (other than controlling shareholders and their associates) to the eligible participants under the RGSOS at the exercise price of S$0.40 per share. The share options will be vested over three years and are exercisable after the first (1st) anniversary from the date of grant of share options. The share options granted will expire on 14 September 2017.

DIRECTORS' REPORT

SHARE OPTIONS (CONT'D)

On 1 March 2013, in connection to the Rights Issue exercise, adjustments were made on the number of options and exercise price of the outstanding share options granted under the RGSOS.

On 22 March 2013, the Company made an offer to grant 1,867,000 share options (other than controlling shareholders and their associates) to the eligible participants under the RGSOS at the exercise price of S$0.505 per share. The share options will be vested over three years and are exercisable after the 1st anniversary from the date of grant of the share options. The share options granted will expire on 22 March 2018.

At the AGM held on 24 April 2013, the Company's shareholders approved the grant of 492,600 (after the rights adjustment) and 600,000 share options at the exercise price of S$0.33 per share (which was granted on 22 March 2013) and S$0.505 per share respectively to Mr Aditya Wisnuwardana Seky Soeryadjaya, an associate of the controlling shareholder of the Company.

During the year, the Company had vested 291,192 and 253,580 by way of allotment of new shares and using treasury shares respectively upon options exercised under the RGSOS.

At the end of the financial year, details of the options granted under the RGSOS, are as follows:

DATE OF GRANT OF OPTIONS	EXERCISE PRICE OF THE OPTIONS	OPTIONS OUTSTANDING AT 01/01/2013	OPTIONS GRANTED	OPTIONS ADJUSTED	OPTIONS EXERCISED	OPTIONS OUTSTANDING AT 31/12/2013	EXERCISE PERIOD
28/03/2011	S$0.485	305,000	–	65,057	370,057	–	28/03/2012 – 28/03/2013
3/10/2011	S$0.321#	1,909,000	–	407,190	174,715	2,141,475	3/10/2012 – 3/10/2016
14/09/2012*	S$0.33#	1,332,000	–	284,115	–	1,616,115	14/09/2013 – 14/09/2017
22/03/2013	S$0.505	–	2,467,000	–	–	2,467,000	22/3/2013 – 22/3/2018
24/04/2013	S$0.33#	–	406,000	86,600	–	492,600#	14/09/2013 – 14/09/2017
		3,546,000	2,873,000	842,962	544,772	6,717,190	

After rights adjustment made pursuant to the Rights Issue Exercise.

* The aggregate number of options granted on 14 September 2012 was 1,738,000, of which, 406,000 share options are granted to Mr Aditya Wisnuwardana Seky Soeryadjaya, an associate of the controlling shareholder of the Company, which has been approved during the AGM held on 24 April 2013.

DIRECTORS' REPORT

SHARE OPTIONS (CONT'D)

Details of the options to subscribe for ordinary shares of the Company granted to the directors of the Company pursuant to the RGSOS are as follows:

NAME OF DIRECTOR	OPTIONS GRANTED FOR FINANCIAL YEAR 2013*	AGGREGATE OPTIONS GRANTED SINCE COMMENCEMENT OF SCHEME TO 31/12/2013	AGGREGATE OPTIONS EXPIRED SINCE COMMENCEMENT OF SCHEME TO 31/12/2013	AGGREGATE OPTIONS EXERCISED	AGGREGATE OPTIONS OUTSTANDING AS AT 31/12/2013
Aditya Wisnuwardana Seky Soeryadjaya	1,224,633	2,738,633	895,000	–	1,843,633
Daniel Zier Johannes Jol	1,001,424	2,681,424	806,000	–	1,875,424
Lanymarta Ganadjaja	804,424	2,346,424	668,000	174,715	1,503,709
Bambang Nugroho	620,424	2,086,424	592,000	–	1,494,424

* Include rights adjustment made pursuant to the Rights Issue Exercise.

Since the commencement of the RGSOS till the end of the financial year:

- No options have been granted to the controlling shareholders of the Company and their associates except as disclosed above;
- No participant other than the Directors mentioned above has received 5% or more of the total options available under the plans;
- No options have been granted to Directors and employees of the immediate and ultimate holding company and its subsidiaries, excluding the Group;
- No options that entitle the holder to participate, by virtue of the options, in any share issue of any other corporation have been granted; and
- No options have been granted at a discount more than 20% on the day the options were granted.

SHARE AWARDS

On 14 September 2012, the Company granted 2,360,000 share awards under the RGPSP. The share awards will be released over three years from the grant date in equal one third proportion of the total share award granted.

On 1 March 2013, in connection to the Rights Issue exercise, adjustments were made on the number of share awards granted under RGSOS.

On the same day, the Company granted 609,000 share awards to Mr. Aditya Wisnuwardana Seky Soeryadjaya, an associate of the controlling shareholder of the Company, which has been subsequently approved at the AGM held on 24 April 2013.

On 22 March 2013, the Company granted 2,744,000 share awards (other than controlling shareholders and their associates) to the eligible participants under the RGPSP. The share awards will be released over three years from the grant date in equal one-third proportion of the total share awards granted. At the AGM held on 24 April 2013, the Company's shareholders also approved the grant of 360,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya.

During the year, the Company had vested 2,866,000 (2012: 1,136,000) and 1,321,000 (2012: 1,237,000) by way of allotment of new shares and using treasury shares respectively under the RGPSP awards. At the end of the reporting period, the total number of outstanding share awards and bonus awards granted by the Company amounted to 10,201,000 (2012: 8,824,000).

DIRECTORS' REPORT

SHARE AWARDS (CONT'D)

As at end of 31 December 2013, details of RGPSP awarded under the Plan are set out as below:

NAME OF DIRECTOR	BALANCE AS AT 01/01/2013	SHARE AWARDS GRANTED*	SHARE AWARDS VESTED	BALANCE AS AT 31/12/2013
Aditya Wisnuwardana Seky Soeryadjaya	407,000	1,055,813	945,084	517,729
Daniel Zier Johannes Jol	570,000	610,581	319,098	861,483
Lanymarta Ganadjaja	557,000	489,808	303,325	743,483
Bambang Nugroho	557,000	378,808	303,325	632,483
Tan Chong Huat	370,000	233,922	215,968	387,954
Chee Teck Kwong Patrick	291,000	184,070	171,075	303,995
Tay Ah Kong Bernard	291,000	184,070	171,075	303,995

BONUS SHARE AWARDS

NAME OF DIRECTOR	BALANCE AS AT 01/01/2013	BONUS SHARE AWARDS GRANTED*	BONUS SHARE AWARDS VESTED	BALANCE AS AT 31/12/2013
Aditya Wisnuwardana Seky Soeryadjaya	976,500	208,287	197,768	987,019
Daniel Zier Johannes Jol	976,500	208,287	197,768	987,019
Lanymarta Ganadjaja	652,000	139,072	132,250	658,822
Bambang Nugroho	652,000	139,072	132,250	658,822

* include the rights adjustment made pursuant to the Rights Issue Exercise.

AUDIT COMMITTEE

The Audit Committee ("AC") comprises three board members, all of whom are non-executive directors. The majority of the members, including the Chairman, are independent. The members of the AC during the financial year and at the date of this report are:

Tay Ah Kong Bernard - Chairman
Tan Chong Huat
Chee Teck Kwong Patrick

The AC carried out its functions in accordance with Section 201B (5) of the Singapore Companies Act, Chapter 50, including the following:

- Reviewed the audit plans of the internal and external auditors of the Group and Company and reviewed the internal auditor's evaluation of the adequacy of the Company's system of internal accounting controls and the assistance given by the Group and the Company's management to the external and internal auditors;

- Reviewed the quarterly and annual financial statements and the auditor's report on the annual financial statements of the Group and the Company before their submission to the Board of Directors;

- Reviewed effectiveness of the Group and the Company's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditor;

- Met with the external auditor, other committees and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;

DIRECTORS' REPORT

AUDIT COMMITTEE (CONT'D)

- Reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- Reviewed the cost effectiveness and the independence and objectivity of the external auditors;
- Reviewed the nature and extent of non-audit services provided by the external auditors;
- Recommended to the Board of Directors the external auditors to be nominated, approved the compensation of the external auditors, and reviewed the scope and results of the audit;
- Reported actions and minutes of the AC to the Board of Directors with such recommendations as the AC considered appropriate; and
- Reviewed interested person transactions in accordance with the requirements of the Singapore Exchange Securities Trading Limited's Listing Manual.

The AC convened six meetings during the financial year with full attendance from all members. The AC has also met with internal and external auditors, without the presence of the Company's management, at least once a year.

The AC, having reviewed all non-audit services provided by the external auditor to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditor.

The AC has recommended to the Board of Directors that the independent auditors, Ernst & Young LLP, be nominated for reappointment as auditors at the forthcoming Annual General Meeting of the Company.

Further details regarding the AC are disclosed in the Corporate Governance Report of the Annual Report of the Company.

AUDITOR

Ernst & Young LLP have expressed their willingness to accept reappointment as auditor.

On behalf of the Board of Directors,

Tan Chong Huat
Non-Executive Chairman

Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer

Singapore
28 March 2014

STATEMENT BY DIRECTORS

We, Tan Chong Huat and Aditya Wisnuwardana Seky Soeryadjaya, being two of the Directors of Ramba Energy Limited (the "Company"), do hereby state that, in the opinion of the Directors:

(i) the accompanying balance sheets, consolidated income statement, consolidated statement of comprehensive income, statements of changes in equity, and consolidated cash flow statement together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2013 and the results of the business, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date; and

(ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board of Directors,

Tan Chong Huat
Non-Executive Chairman

Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer

Singapore
28 March 2014

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2013

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF RAMBA ENERGY LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Ramba Energy Limited (the "Company") and its subsidiaries (collectively, the "Group") set out on pages 52 to 115, which comprise the balance sheets of the Group and the Company as at 31 December 2013, the statements of changes in equity of the Group and the Company and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion, the consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2013 and the results, changes in equity and cash flows of the Group and the changes in equity of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore
28 March 2014

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2013

	NOTES	2013 S$'000	2012 S$'000
Revenue			
Turnover	4	72,872	71,566
Other income	5	2,972	3,410
Total revenue		75,844	74,976
Costs and operating expenses			
Service costs and related expenses		(46,121)	(44,161)
Royalties payment		(1,215)	(1,499)
Salaries and employee benefits	6	(28,547)	(26,227)
Depreciation and amortisation expenses		(3,236)	(3,969)
Finance costs	7	(696)	(535)
Other operating expenses	8a	(10,041)	(3,542)
Total costs and operating expenses		(89,856)	(79,933)
Share of results of a joint venture		–	(5)
Loss before tax	8b	(14,012)	(4,962)
Income tax	9	(1,655)	(2,502)
Loss for the year		(15,667)	(7,464)
Attributable to:			
Owners of the Company		(15,276)	(7,622)
Non-controlling interests		(391)	158
		(15,667)	(7,464)
Loss per share attributable to owners of the Company (cents per share)			
Basic and diluted	10	(4.54)	(2.61)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2013

	2013 S$'000	2012 S$'000
Loss for the year	(15,667)	(7,464)
Other comprehensive income:		
Items that may be reclassified subsequently to income statement		
Net loss on cash flow hedge	–	(2)
Foreign currency translation	1,911	(2,262)
Items that will not be reclassified to income statement		
Remeasurement of defined benefit obligation	100	–
Other comprehensive loss for the year, net of tax	2,011	(2,264)
Total comprehensive loss for the year, net of tax	(13,656)	(9,728)
Attributable to:		
Owners of the Company	(13,259)	(9,910)
Non-controlling interests	(397)	182
	(13,656)	(9,728)

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

BALANCE SHEETS

As at 31 December 2013

	NOTES	GROUP 2013 S$'000	GROUP 2012 S$'000	COMPANY 2013 S$'000	COMPANY 2012 S$'000
Non-current assets					
Oil and gas properties	11	24,804	20,670	–	–
Property, plant and equipment	11	9,702	11,819	445	232
Intangible assets	12	2,205	2,894	234	386
Investments in exploration and evaluation assets	13	37,023	23,255	–	–
Investment in marketable securities		3	3	3	3
Investments in subsidiaries	14	–	–	2,848	2,744
Investment in associate	15	–	66	–	50
Loans to subsidiaries	16	–	–	38,992	38,992
Other assets		–	63	–	–
Leased assets	17	17	42	–	–
Other receivables	19	5,732	2,244	–	–
Deferred tax assets	28	91	91	–	–
Fixed deposits	20	1,316	1,306	–	–
		80,893	62,453	42,522	42,407
Current assets					
Trade receivables	18	14,606	16,327	–	–
Other receivables	19	3,947	6,686	28,841	11,708
Prepaid operating expenses		933	1,279	100	390
Inventories		121	84	–	–
Leased assets	17	25	25	–	–
Cash and bank balances	20	6,483	5,252	366	867
		26,115	29,653	29,307	12,965
Current liabilities					
Trade payables	21	17,341	15,764	–	–
Other payables	22	11,255	9,058	1,243	2,013
Provisions	23	266	162	–	–
Other loan	24	3,625	–	3,625	–
Finance lease liabilities	25	1,531	1,412	71	48
Term loans	26	685	2,112	–	–
Income tax payable		98	127	–	–
		34,801	28,635	4,939	2,061
Net current (liabilities)/assets		(8,686)	1,018	24,368	10,904
Non-current liabilities					
Other payables	22	2,871	2,829	–	–
Provisions	23	808	719	39	39
Abandonment and site restoration liabilities	27	623	491	–	–
Finance lease liabilities	25	2,893	3,120	252	115
Term loans	26	–	685	–	–
Deferred tax liabilities	28	6,352	4,774	–	–
		13,547	12,618	291	154
Net assets		58,660	50,853	66,599	53,157
Equity attributable to owners of the Company					
Share capital	29	84,263	64,256	84,263	64,256
Treasury shares	29	(935)	(1,746)	(935)	(1,746)
Other reserves	30	2,746	92	5,190	4,553
Accumulated losses		(26,672)	(11,404)	(21,919)	(13,906)
		59,402	51,198	66,599	53,157
Non-controlling interests		(742)	(345)	–	–
Total equity		58,660	50,853	66,599	53,157

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2013

		Attributable to owners of the Company										
2013 GROUP	**EQUITY, TOTAL S$'000**	**EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY, TOTAL S$'000**	**SHARE CAPITAL S$'000**	**TREASURY SHARES S$'000**	**ACCUMULATED LOSSES S$'000**	**OTHER RESERVES, TOTAL S$'000**	**SHARE BASED PAYMENT RESERVE S$'000**	**OTHERS S$'000**	**FOREIGN CURRENCY TRANSLATION RESERVE S$'000**	**GAIN ON REISSUANCE OF TREASURY SHARES S$'000**	**CAPITAL RESERVE S$'000**	**NON-CONTROLLING INTERESTS S$'000**
Opening balance as at 1 January 2013	50,853	51,198	64,256	(1,746)	(11,404)	92	1,807	–	(4,809)	2,746	348	(345)
Loss for the year	(15,667)	(15,276)	–	–	(15,276)	–	–	–	–	–	–	(391)
Other comprehensive income												
Re-measurement of defined benefit obligation	100	100	–	–	–	100	–	100	–	–	–	–
Foreign currency translation	1,911	1,917	–	–	–	1,917	–	–	1,917	–	–	(6)
Total comprehensive loss for the year, net of tax	(13,656)	(13,259)	–	–	(15,276)	2,017	–	100	1,917	–	–	(397)
Contributions by and distributions to owners												
Issuance of shares arising from rights issues	19,366	19,366	19,366	–	–	–	–	–	–	–	–	–
Share issuance expenses	(911)	(911)	(911)	–	–	–	–	–	–	–	–	–
Issuance of shares pursuant to RGPSP/RGSOS	730	730	1,552	811	–	(1,633)	(1,517)	–	–	(116)	–	–
Grant of equity settled share based payment to employees	2,270	2,270	–	–	–	2,270	2,270	–	–	–	–	–
Total contributions by and distributions to owners	21,455	21,455	20,007	811	–	637	753	–	–	(116)	–	–
Total transactions with owners in their capacity as owners	21,455	21,455	20,007	811	–	637	753	–	–	(116)	–	–
Others												
Resignee of employee share options	8	8	–	–	8	–	–	–	–	–	–	–
Total others	8	8	–	–	8	–	–	–	–	–	–	–
Closing balance as at 31 December 2013	58,660	59,402	84,263	(935)	(26,672)	2,746	2,560	100	(2,892)	2,630	348	(742)

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2013

2012 GROUP	EQUITY, TOTAL S$'000	Attributable to owners of the Company EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY, TOTAL S$'000	SHARE CAPITAL S$'000	TREASURY SHARES S$'000	ACCUMULATED LOSSES S$'000	OTHER RESERVES, TOTAL S$'000	SHARE BASED PAYMENT RESERVE S$'000	HEDGING RESERVE S$'000	FOREIGN CURRENCY TRANSLATION RESERVE S$'000	GAIN ON REISSUANCE OF TREASURY SHARES S$'000	CAPITAL RESERVE S$'000	NON-CONTROLLING INTERESTS S$'000
Opening balance as at 1 January 2012	58,834	59,361	63,804	(2,384)	(4,590)	2,531	1,492	2	(2,523)	2,656	904	(527)
Loss for the year	(7,464)	(7,622)	–	–	(7,622)	–	–	–	–	–	–	158
Other comprehensive income												
Net loss on cash flow hedge	(2)	(2)	–	–	–	(2)	–	(2)	–	–	–	–
Foreign currency translation	(2,262)	(2,286)	–	–	–	(2,286)	–	–	(2,286)	–	–	24
Total comprehensive (loss)/income for the year, net of tax	(9,728)	(9,910)	–	–	(7,622)	(2,288)	–	(2)	(2,286)	–	–	182
Contributions by and distributions to owners												
Share issuance expenses	(6)	(6)	(6)	–	–	–	–	–	–	–	–	–
Treasury shares reissued pursuant to RGPSP	–	–	–	638	–	(638)	(728)	–	–	90	–	–
Grant of equity settled share based payment to employees	1,753	1,753	458	–	16	1,279	1,279	–	–	–	–	–
Total contributions by and distributions to owners	1,747	1,747	452	638	16	641	551	–	–	90	–	–
Total transactions with owners in their capacity as owners	1,747	1,747	452	638	16	641	551	–	–	90	–	–
Others												
Transfer of reserve	–	–	–	–	556	(556)	–	–	–	–	(556)	–
Expiry of employee share options	–	–	–	–	236	(236)	(236)	–	–	–	–	–
Total others	–	–	–	–	792	(792)	(236)	–	–	–	(556)	–
Closing balance as at 31 December 2012	50,853	51,198	64,256	(1,746)	(11,404)	92	1,807	–	(4,809)	2,746	348	(345)

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2013

2013 COMPANY	EQUITY, TOTAL S$'000	SHARE CAPITAL S$'000	TREASURY SHARES S$'000	ACCUMULATED LOSSES S$'000	OTHER RESERVES, TOTAL S$'000	SHARE BASED PAYMENT RESERVE S$'000	GAIN ON REISSUANCE OF TREASURY SHARES S$'000
Opening balance as at 1 January 2013	53,157	64,256	(1,746)	(13,906)	4,553	1,807	2,746
Loss for the year	(8,021)	–	–	(8,021)	–	–	–
Total comprehensive loss for the year	(8,021)	–	–	(8,021)	–	–	–
Contributions by and distributions to owners							
Issuance of shares arising from rights issues	19,366	19,366	–	–	–	–	–
Share issuance expenses	(911)	(911)	–	–	–	–	–
Grant of equity settled share based payment to employees	2,270	–	–	–	2,270	2,270	–
Issuance of shares pursuant to RGPSP/RGSOS	730	1,552	811	–	(1,633)	(1,517)	(116)
Total contributions by and distributions to owners	21,455	20,007	811	–	637	753	(116)
Others							
Expiry of employee share options	8	–	–	8	–	–	–
Total others	8	–	–	8	–	–	–
Closing balance as at 31 December 2013	66,599	84,263	(935)	(21,919)	5,190	2,560	2,630

STATEMENTS OF CHANGES IN EQUITY

For the financial year ended 31 December 2013

2012 COMPANY	EQUITY, TOTAL S$'000	SHARE CAPITAL S$'000	TREASURY SHARES S$'000	ACCUMULATED LOSSES S$'000	OTHER RESERVES, TOTAL S$'000	SHARE BASED PAYMENT RESERVE S$'000	GAIN ON REISSUANCE OF TREASURY SHARES S$'000
Opening balance as at 1 January 2012	58,104	63,804	(2,384)	(7,539)	4,223	1,567	2,656
Loss for the year	(6,447)	–	–	(6,447)	–	–	–
Total comprehensive loss for the year	(6,447)	–	–	(6,447)	–	–	–
Contributions by and distributions to owners							
Share issuance expenses	(6)	(6)	–	–	–	–	–
Grant of equity settled share based payment to employees	1,678	458	–	16	1,204	1,204	–
Treasury shares reissued pursuant to RGPSP	–	–	638	–	(638)	(728)	90
Total contributions by and distributions to owners	1,672	452	638	16	566	476	90
Others							
Expiry of employee share options	(172)	–	–	64	(236)	(236)	–
Total others	(172)	–	–	64	(236)	(236)	–
Closing balance as at 31 December 2012	53,157	64,256	(1,746)	(13,906)	4,553	1,807	2,746

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2013

	2013 S$'000	2012 S$'000
Operating activities:		
Loss before tax	(14,012)	(4,962)
Adjustments for:		
Depreciation and amortisation expenses	3,236	3,969
Unrealised exchange loss	1,442	–
Gain on disposal of property, plant and equipment	(46)	(44)
Loss on disposal of intangible assets	–	40
Share of results of a joint venture	–	5
Finance costs	696	535
Interest income from banks	(20)	(29)
Share based payment	2,810	1,750
Impairment of intangible assets	100	150
Intangible assets written-off	151	–
Gain on liquidation of an associate	(306)	–
Property, plant and equipment written-off	156	51
Impairment of property, plant and equipment	91	–
Allowance for doubtful receivables	564	4
Write back for doubtful cash calls from joint venture partner	–	(2,541)
Gain on disposal of joint venture	–	(32)
Remeasurement of defined benefits obligation	25	–
Foreign exchange translation adjustments	(55)	313
Operating cash flows before working capital change	(5,168)	(791)
Change in inventories	(37)	120
Change in trade receivables	1,157	(3,282)
Change in other receivables	(916)	3,048
Change in prepaid operating expenses	346	(440)
Change in trade payables	1,577	5,425
Change in other payables and provision	2,596	1,244
Cash (used in) / generated from operations	(445)	5,324
Interest income received	20	29
Income tax paid	(286)	(706)
Finance costs paid	(402)	(438)
Net cash flow (used in)/from operating activities	(1,113)	4,209

CONSOLIDATED CASH FLOW STATEMENT

For the financial year ended 31 December 2013

	NOTES	2013 S$'000	2012 S$'000
Investing activities:			
Proceeds from disposal of intangible assets		–	39
Proceeds from disposal of property, plant and equipment		111	44
Proceeds from liquidation of an associate	15	372	–
Proceeds from sales of available-for-sale assets		–	2,154
Purchase of property, plant and equipment and oil and gas properties		(4,590)	(3,759)
Capital repayment to non-controlling interest		–	(33)
Cash call advances		–	2,520
Deposit paid for participation interest in a potential concession		–	2,027
Acquisition of exploration and evaluation assets	13	(12,964)	(11,055)
Acquisition of intangible assets	12	(54)	(547)
Net cash flows used in investing activities		(17,125)	(8,610)
Financing activities:			
Net proceeds from issuance of new shares via rights issue		18,435	–
(Increase) / Decrease in fixed deposits pledged		(10)	393
Repayment of finance lease liabilities		(695)	(1,577)
Repayment of term loans		(2,177)	(2,426)
Proceeds from other loan		3,625	–
Proceeds from options exercised		187	–
Net cash flows from/(used in) financing activities		19,365	(3,610)
Net increase/(decrease) in cash and cash equivalents		1,127	(8,011)
Effect of exchange rate changes on cash and cash equivalents		104	(345)
Cash and cash equivalents at beginning of financial year	20	5,252	13,608
Cash and cash equivalents at end of financial year	20	6,483	5,252

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

1. CORPORATE INFORMATION

Ramba Energy Limited (the "Company") is a limited liability company incorporated and domiciled in Singapore and is listed on the Singapore Exchange Securities Trading Limited (SGX-ST). The immediate and ultimate holding company is Redmount Holdings Limited, a company incorporated in British Virgin Islands ("BVI").

The registered office of the Company is at No. 29A, Club Street, Singapore 069414. The principal place of business is located at No. 11, Bedok North Avenue 4, RichLand Business Centre, #05-01, Singapore 489949.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 14 to the financial statements.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION

The consolidated financial statements of the Group and the balance sheet and statement of changes in equity of the Company have been prepared in accordance with Singapore Financial Reporting Standards ("FRS").

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollars ("S$" or "SGD") and all values are rounded to the nearest thousand ("S$'000") except when otherwise indicated.

The Group incurred a net loss after taxation of S$15,667,000 (2012: S$7,464,000) for the financial year ended 31 December 2013 and, as at that date, the Group has a positive net asset position of S$58,660,000 (2012: S$50,853,000) with a net current liabilities position of S$8,686,000 (2012: net current assets position S$1,018,000). Notwithstanding the net loss or net current liability position for the year ended 31 December 2013, the Directors are of the view that it is appropriate to prepare these financial statements on a going concern basis as the Group should be able to generate sufficient cash flows from its operations, and able to obtain sufficient funding from financial institutions to enable the Group to meet its obligations as and when they fall due.

2.2 CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are effective for annual financial periods beginning on or after 1 January 2013. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

Revised FRS 19 Employee Benefits

On 1 January 2013, the Group adopted the Revised FRS 19 Employee Benefits.

For defined benefit plans, the Revised FRS 19 requires all actuarial gains and losses to be recognised in other comprehensive income and unvested past service costs previously recognised over the average vesting period to be recognised immediately in profit or loss when incurred.

Prior to adoption of the Revised FRS 19, the Group recognised actuarial gains and losses as income or expense when the net cumulated unrecognised gains and losses for each individual plan at the end of the previous period exceeded 10% of the higher of the defined benefit obligation and the fair value of the plan assets and recognised unvested past service costs as an expense on a straight-line basis over the average vesting period until the benefits become vested. Upon adoption of the revised FRS 19, the Group changed its accounting policy to recognise all actuarial gains and losses in other comprehensive income and all past service costs in profit or loss in the period they occur.

The Revised FRS 19 replaced the interest cost and expected return on plan assets with the concept of net interest on defined benefit liability or asset which is calculated by multiplying the net balance sheet defined benefit liability or asset by the discount rate used to measure the employee benefit obligation, each as at the beginning of the annual period.

The comparatives were not restated as the impact on comparatives figures is not material.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 STANDARDS ISSUED BUT NOT YET EFFECTIVE

The Group has not adopted the following standards that have been issued but not yet effective:

DESCRIPTION	EFFECTIVE FOR ANNUAL PERIODS BEGINNING ON OR AFTER
Revised FRS 27 *Separate Financial Statements*	1 January 2014
Revised FRS 28 *Investments in Associates and Joint Ventures*	1 January 2014
FRS 110 *Consolidated Financial Statements*	1 January 2014
FRS 111 *Joint Arrangements*	1 January 2014
FRS 112 *Disclosure of Interests in Other Entities*	1 January 2014
Amendments to FRS 32 *Offsetting Financial Assets and Financial Liabilities*	1 January 2014
Amendments to transition guidance of FRS 110 *Consolidated Financial Statements*, FRS 111 *Joint Arrangements* and FRS 112 *Disclosure of Interests in Other Entities*	1 January 2014
Amendments to FRS 110, FRS 112 and FRS 27 *Investment Entities*	1 January 2014
Amendments to FRS 36 *Recoverable Amount Disclosures for Non-financial Assets*	1 January 2014
Amendments to FRS 39 *Novation of Derivatives and Continuation of Hedge Accounting*	1 January 2014
Amendments to FRS 19 *Defined Benefit Plans: Employee Contributions*	1 July 2014
Improvements to FRSs	1 July 2014
INT FRS 121 *Levies*	1 January 2014

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the period of initial application.

2.4 BASIS OF CONSOLIDATION AND BUSINESS COMBINATIONS

(A) Basis of consolidation

Business combinations from 1 January 2010

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Losses within a subsidiary are attributed to the non-controlling interest even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Where a change in ownership of interest of a subsidiary results in the loss of control over the subsidiary, it is accounted for as follows:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost;
- Derecognises the carrying amount of any non-controlling interest;
- 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; and
- Reclassifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 BASIS OF CONSOLIDATION AND BUSINESS COMBINATIONS (CONT'D)

(A) Basis of consolidation (cont'd)

Basis of consolidation prior to 1 January 2010

Certain of the above-mentioned requirements were applied on a prospective basis. The following treatment, however, has been carried forward from the previous basis of consolidation:

- Upon loss of control, the Group accounted for the investment retained at its proportionate share of net asset value at the date control was lost. The carrying values of such investments as at 1 January 2010 have not been restated.

(B) Business combinations

Business combinations from 1 January 2010

Business combinations are accounted for by applying the acquisition method. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer will be recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration, which is deemed to be an asset or liability, will be recognised in accordance with FRS 39 either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

In business combinations achieved in stages, previously held equity interests in the acquiree are remeasured to fair value at the acquisition date and any corresponding gain or loss is recognised in profit or loss.

The Group elects for each individual business combination, whether non-controlling interest in the acquiree (if any), that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation, is recognised on the acquisition date at fair value, or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Other components of non-controlling interests are measured at their acquisition date fair value, unless another measurement basis is required by another FRS.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. The accounting policy for goodwill is set out in Note 2.9(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in profit or loss on the acquisition date.

Business combinations prior to 1 January 2010

In comparison to the above mentioned requirements, the following differences applied:

Business combinations are accounted for by applying the purchase method. Transaction costs directly attributable to the acquisition formed part of the acquisition costs. The non-controlling interest was measured at the proportionate share of the acquiree's identifiable net assets.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 BASIS OF CONSOLIDATION AND BUSINESS COMBINATIONS (CONT'D)

(B) Business combinations (cont'd)

Business combinations prior to 1 January 2010

Business combinations achieved in stages were accounted for as separate steps. Adjustments to those fair values relating to previously held interests are treated as a revaluation and recognised in equity. Any additional acquired share of interest did not affect previously recognised goodwill.

When the Group acquired a business, embedded derivatives separated from the host contract by the acquiree were not reassessed on acquisition unless the business combination resulted in a change in the terms of the contract that significantly modified the cash flows that otherwise would have been required under the contract.

Contingent consideration was recognised if, and only if, the Group had a present obligation, the economic outflow was more likely than not and a reliable estimate was determinable. Subsequent adjustments to the contingent consideration were recognised as part of goodwill.

2.5 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company.

Changes in the Company's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

2.6 FOREIGN CURRENCY

The financial statements are presented in Singapore Dollars, which is also the Company's functional currency. 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.

(a) Transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Company and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as 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 was measured.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in equity. The foreign currency translation reserve is reclassified from equity to profit or loss of the Group on disposal of the foreign operation.

(b) Consolidated financial statements

For consolidation purpose, the assets and liabilities of foreign operations are translated into SGD at the rate of exchange ruling at the end of the reporting period and their profit or loss are translated at the exchange rates prevailing at the date of the transactions. The exchange differences arising on the translation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

In the case of a partial disposal without loss of control of a subsidiary that includes a foreign operation, the proportionate share of the cumulative amount of the exchange differences are re-attributed to non-controlling interest and are not recognised in profit or loss. For partial disposals of associates or jointly controlled entities that are foreign operations, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.7 PROPERTY, PLANT AND EQUIPMENT

All items of property, plant and equipment are initially recorded at cost. The cost includes the cost of replacing part of the property, plant and equipment and borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying property, plant and equipment. The accounting policy for borrowing costs is set out in Note 2.19. The cost of an item of property, plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant 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.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets as follows:

- ISO tanks	10 years
- Office equipment	3 to 4 years
- Furniture & fitting	5 to 10 years
- Renovation	3 years
- Office container	3 years
- Tools and equipment	3 years
- Transport equipment	6 to 8 years

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year-end, and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on derecognition of the asset is included in the profit or loss in the year the asset is derecognised.

2.8 OIL AND GAS PROPERTIES

The Company applies successful efforts method of accounting for exploration and evaluation ("E&E") costs, having regard to the requirements of FRS 106, *Exploration for and Evaluation of Mineral Resources.*

(a) E&E assets

Under the successful efforts method of accounting, all license acquisition, exploration and appraisal costs are initially capitalised in field or specific exploration area as appropriate. Expenditure incurred during the various exploration and appraisal phases is written-off unless commercial reserves have been established or the determination process has not been completed.

Pre-license costs - Costs incurred prior to having obtained the legal rights to explore an area are expensed directly to profit or loss as they are incurred.

E&E costs - Costs of E&E are initially capitalised as E&E assets. Payments to acquire the legal right to explore, costs of technical services and studies, seismic acquisition, exploratory drilling and testing are capitalised as intangible E&E assets.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.8 OIL AND GAS PROPERTIES (CONT'D)

(a) E&E assets (cont'd)

Tangible assets used in E&E activities are classified as oil and gas properties. However, to the extent that such a tangible asset is consumed in developing an intangible E&E asset, the amount reflecting the consumption is recorded as part of the cost of the intangible asset. Such intangible costs include directly attributable overheads, including the depreciation of property, plant and equipment utilised in E&E activities, together with the cost of other materials consumed during the E&E phases.

E&E costs are not amortised prior to the conclusion of appraisal activities.

Treatment of E&E assets at conclusion of appraisal activities - Intangible E&E assets are carried forward until the existence (or otherwise) of commercial reserves has been determined subject to certain limitations including review for indications of impairment. If commercial reserves have been discovered, the carrying value, after any impairment loss of the relevant E&E assets, is then reclassified as development and production assets. If, however, commercial reserves have not been found, the capitalised costs are charged to profit or loss after conclusion of appraisal activities.

(b) Development and production assets

Development and production assets are accumulated generally on a specific exploration area basis and represent the cost of developing the commercial reserves discovered and bringing them into production, together with the E&E expenditures incurred in finding commercial reserves transferred from intangible E&E assets as outlined in Note 2.8(a).

The cost of development and production assets also includes the cost of acquisitions and purchases of such assets, directly attributable overheads, borrowing costs capitalised, and the cost of recognising provisions for future restoration and decommissioning.

The cost of development and production assets are capitalised as completed wells and related facilities when drilling or construction is completed. Uncompleted wells and related facilities are not depreciated as these assets are not yet available for use.

Depreciation of producing assets - The carrying amount of producing assets are depreciated generally on a specific exploration area basis using the unit-of-production ("UOP") method by reference to the ratio of production in the period and the related commercial reserve of the field.

2.9 INTANGIBLE ASSETS

(a) Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to the Group's cash-generating units ("CGU") that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

The CGU to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the CGU may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGU) to which the goodwill relates. Where the recoverable amount of the CGU is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses recognised for goodwill are not reversed in subsequent periods.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.9 INTANGIBLE ASSETS (CONT'D)

(a) Goodwill (cont'd)

Where goodwill forms part of a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operations disposed of and the portion of the CGU retained.

Goodwill and fair value adjustments arising on the acquisitions of foreign operations on or after 1 January 2005 are treated as assets and liabilities of the foreign operations and are recorded in the functional currency of the foreign operations and translated in accordance with the accounting policy set out in Note 2.6.

Goodwill and fair value adjustments which arose on acquisitions of foreign operations before 1 January 2005 are deemed to be assets and liabilities of the Company and are recorded in SGD at the rates prevailing at the date of acquisition.

(b) Other intangible assets

Intangible assets acquired separately are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite useful lives are amortised over the estimated useful lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible assets with indefinite useful lives or not yet available for use are tested for impairment annually, or more frequently if the events and circumstances indicate that the carrying value may be impaired either individually or at the CGU level. Such intangible assets are not amortised. The useful life of an intangible asset with an indefinite useful life is reviewed annually to determine whether the useful life assessment 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 the profit or loss when the asset is derecognised.

The following are the other intangible assets:

(i) *Customer relationship*
Customer relationship was acquired through business combination and has an estimated useful life of 5 years.

(ii) *Club membership*
Club membership was acquired separately and is amortised on a straight line basis over its finite useful life of 15 years.

(iii) *Software*
Software has an estimated useful life of 3 - 4 years.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.10 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when an annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Group bases its impairment calculation on detailed budgets and forecast calculations which are prepared separately for each of the Group's CGU to which the individual assets are allocated. These budgets and forecast calculations are generally covering a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations are recognised in profit or loss.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. 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 estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.11 SUBSIDIARIES

A subsidiary is an entity over which the Group has the power to govern the financial and operating policies so as to obtain benefits from its activities.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less impairment losses.

2.12 ASSOCIATES

An associate is an entity, not being a subsidiary or a joint venture, in which the Group has significant influence. An associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

The Group's investments in associates are accounted for using the equity method. Under the equity method, the investment in associates is carried in the balance sheet at cost plus post-acquisition changes in the Group's share of net assets of the associates. Goodwill relating to associates is included in the carrying amount of the investment and is neither amortised nor tested individually for impairment. Any excess of the Group's share of the net fair value of the associate's identifiable asset, liabilities and contingent liabilities over the cost of the investment is included as income in the determination of the Group's share of results of the associate in the period in which the investment is acquired.

The profit or loss reflects the share of the results of operations of the associates. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and losses resulting from transactions between the Group and the associate are eliminated to the extent of the interest in the associates.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.12 ASSOCIATES (CONT'D)

The Group's share of the profit or loss of its associates is the profit attributable to equity holders of the associate and, therefore is the profit or loss after tax and non-controlling interests in the subsidiaries of associates.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss on the Group's investment in its associates. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associate are prepared as of the same reporting date as the Company. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Upon loss of significant influence over the associate, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the aggregate of the retained investment and proceeds from disposal is recognised in profit or loss.

2.13 JOINTLY CONTROLLED ASSETS

A jointly controlled asset ("JCA") involves joint control and often joint ownership by the Group and other venturers of assets contributed to, or acquired for the purpose of, the joint venture, without the formation of a corporation, partnership or other entity.

Where the Group's activities are conducted through JCAs, the Group recognises its interest in the jointly controlled asset using the proportionate consolidation method. The Group combines its proportionate share of each of the assets, liabilities, income and expenses of the JCA with the similar items, line by line, in its consolidated financial statements. The JCA is proportionately consolidated from the date the Group obtains joint control until the date the Group ceases to have joint control over the JCA.

Adjustments are made in the Group's consolidated financial statements to eliminate the Group's share of intragroup balances, income and expenses and unrealised gains and losses on such transactions between the Group and its JCA. Losses on transactions are recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss.

2.14 FINANCIAL INSTRUMENTS

(a) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 FINANCIAL INSTRUMENTS (CONT'D)

(a) Financial assets (cont'd)

Subsequent measurement

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

Loans and receivables

Non-derivative financial assets with fixed or determinable payments that are not quoted in an active market are classified as loans and receivables. Subsequent to initial recognition, loans and receivables are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the loans and receivables are derecognised or impaired, and through the amortisation process.

The Group classifies the following financial assets as loans and receivables:

- cash and bank balances and fixed deposits; and
- trade and other receivables, including loans to subsidiaries.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Regular way purchase or sale of a financial asset

All regular way purchases and sales of financial assets are recognised or derecognised on the trade date i.e., the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace concerned.

(b) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Group becomes a party to the contractual provisions of the financial instrument. The Group determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

(i) Financial liabilities at amortised cost

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.14 FINANCIAL INSTRUMENTS (CONT'D)

*(c) **Offsetting of financial instruments***

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheets, when and only when, there is a currently enforceable legal right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.15 IMPAIRMENT OF FINANCIAL ASSETS

The Group assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

*(a) **Financial assets carried at amortised cost***

For financial assets carried at amortised cost, the Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be recognised are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account. The impairment loss is recognised in profit or loss.

When the asset becomes uncollectible, the carrying amount of impaired financial asset is reduced directly or if an amount was charged to the allowance account, the amounts charged to the allowance account are written off against the carrying value of the financial asset.

To determine whether there is objective evidence that an impairment loss on financial assets has been incurred, the Group considers factors such as the probability of insolvency or significant financial difficulties of the debtor and default or significant delay in payments.

If in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed to the extent that the carrying amount of the asset does not exceed its amortised cost at the reversal date. The amount of reversal is recognised in profit or loss.

*(b) **Financial assets carried at cost***

If there is objective evidence (such as significant adverse changes in the business environment where the issuer operates, probability of insolvency or significant financial difficulties of the issuer) that an impairment loss on financial assets carried at cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed in subsequent periods.

2.16 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short-term, highly liquid investments that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.17 INVENTORIES

In the oil and gas business, inventory becomes the property of state oil and gas enterprise of the Republic of Indonesia upon landing in Indonesia. As the Group has paid for and has the right to use these assets and/or incurred costs to recover the costs, these balances have been reflected as assets in the Group's financial statements.

Inventories, which primarily consist of casing and other drilling related items as well as capital spares, are valued at the lower of cost and net realisable value. Cost is determined using first-in first-out method. Management assesses the need for allowance for slow-moving and obsolete inventories at the end of each reporting period.

Inventories include capital and non-capital items. Non-capital inventories are charged to cost recovery at the time of receipt. In accordance with the requirements of the state oil and gas enterprise of the Republic of Indonesia, it is not to write-off or provide for any potentially obsolete stock items until approval for write-off has been obtained.

2.18 PROVISIONS

General
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provision for cargo and motor vehicle claims
Provision for cargo and motor vehicle claims is recognised for all claims lodged by the customers or external parties which relate to services rendered by the Group or motor accident claims up to the end of the reporting period. The amount of provision made is based on the nature of the claims, the extent of the damages and the record of settlements in previous years.

Provision for reinstatement cost
Provision for reinstatement cost arose on the leases of office and building. The provision for reinstatement cost is provided based on actual quotation by third party.

2.19 BORROWING COSTS

Borrowing costs are capitalised as part of the cost of a qualifying asset if they are directly attributable to the acquisition, construction or production of that asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are substantially completed for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.20 EMPLOYEE BENEFITS

(a) Defined contribution plan

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore companies in the Group make contributions to the Central Provident Fund ("CPF") scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension scheme are recognised as an expense in the period in which the related service is performed.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 EMPLOYEE BENEFITS (CONT'D)

(b) *Defined benefit plan*

The net defined benefit liability or asset is the aggregate of the present value of the defined benefit obligation (derived using a discount rate based on high quality corporate bonds) at the end of the reporting period reduced by the fair value of plan assets (if any), adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The asset ceiling is the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

The cost of providing benefits under the defined benefit plans is determined separately for each plan using the projected unit credit method.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognised as expense in profit or loss. Past service costs are recognised when plan amendment or curtailment occurs.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on high quality corporate bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognised as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognised immediately in other comprehensive income in the period in which they arise. Remeasurements are recognised in retained earnings within equity and are not reclassified to profit or loss in subsequent periods.

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognised as a separate asset at fair value when and only when reimbursement is virtually certain.

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.20 EMPLOYEE BENEFITS (CONT'D)

(d) Employee share option scheme

Eligible employees of the Group receive remuneration in the form of share options as consideration for services rendered. The cost of these equity-settled share based payment transactions with employees is measured by reference to the fair value of the options at the date on which the options are granted which takes into account market conditions and non-vesting conditions. This cost is recognised in profit or loss, with a corresponding increase in the share based payment reserve, over the vesting period. The cumulative expense recognised at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of options that will ultimately vest. The charge or credit to profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in "share based payment expenses".

No expense is recognised for options that do not ultimately vest, except for options where vesting is conditional upon a market or non-vesting condition, which are treated as vested irrespective of whether or not the market condition or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied. In the case where the option does not vest as the result of a failure to meet a non-vesting condition that is within the control of the Group or the employee, it is accounted for as a cancellation. In such case, the amount of the compensation cost that otherwise would be recognised over the remainder of the vesting period is recognised immediately in profit or loss upon cancellation. The employee share option reserve is transferred to retained earnings upon expiry of the share options.

The fair value of the employee share option is determined on conditional grant date using the Black Scholes pricing model which takes into account the market conditions and non-vesting conditions.

(e) Employee share award plan

Pursuant to the Ramba Group Performance Share Plan ("RGPSP"), the Company's shares are granted to eligible employees and Directors of the Group.

The performance shares cost is charged at the share price of grant date and is amortised and recognised in the profit or loss over the vesting periods from the grant date.

When the options are exercised or share awards are vested, the share based payment reserve is transferred to share capital if new shares are issued, or to treasury shares if the options or awards vested are satisfied by the reissuance of treasury shares.

2.21 LEASES

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 January 2005, the date of inception is deemed to be 1 January 2005 in accordance with the transitional requirements of INT FRS 104.

(a) As lessee

Finance leases which transfer to the Group substantially all the risks and rewards incidental to ownership of the leased item, are capitalised at the inception of the lease at the fair value of the leased asset or, if lower, at the present value of the minimum lease payments. Any initial direct cost are also added to the amount capitalised. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss. Contingent rents, if any, are charged as expenses in the periods in which they are incurred.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.21 LEASES (CONT'D)

(a) *As lessee (cont'd)*

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

(b) *As lessor*

Leases where the Group retains substantially all the risks and rewards of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. The accounting policy for rental income is set out in Note 2.23(f). Contingent rents are recognised as revenue in the period in which they are earned.

2.22 ABANDONMENT AND SITE RESTORATION LIABILITIES

The Company recognises its obligations for the future removal and site restoration of gas production facilities, wells, pipelines and related assets in accordance with the provisions in the technical assistance contracts or in line with applicable regulations.

Initial estimated costs for dismantlement and site restoration of oil and gas properties are to be recognised as part of acquisition costs of the oil and gas properties, which will subsequently be depreciated as part of the acquisition costs of the asset.

In most instances, the removal of these assets will occur many years in the future. The provision for future restoration costs is the best estimate of the present value of the future expenditures required to undertake the restoration obligation at the reporting date, based on current legal requirements. The estimate of future removal costs therefore requires management to make judgements regarding the timing of removal, the extent of restoration activities required and future removal technologies.

2.23 REVENUE

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 made. 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. The Group assesses its revenue arrangements to determine if it is acting as principal or agent. The following specific recognition criteria must be met before revenue is recognised:

(a) *Rendering of services*

Revenue is recognised upon service rendered.

(b) *Oil and gas sales*

Revenue from sales of oil and gas are recognised upon delivery to customers. Oil and gas revenue is recorded on the entitlement method.

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Leasing income*

Leasing income arising from rental of transport equipment and ISO tanks and it is accounted for based on the usage of the transport equipment and ISO tanks.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.23 REVENUE (CONT'D)

(e) ***Dividend income***

Dividend income is recognised when the Group's right to receive payment is established.

(f) ***Rental income***

Rental income adjusted for rent free incentives is recognised on a straight-line basis over the lease terms.

2.24 TAXES

(a) ***Current income tax***

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 taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

Current income taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(b) ***Deferred tax***

Deferred tax is provided using the liability method on temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.24 TAXES (CONT'D)

(b) Deferred tax (cont'd)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 the end of each reporting period and are recognised to the extent that it has become probable that future taxable profit 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 end of each reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity and deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it incurred during the measurement period or in profit or loss.

(c) Sales tax

Revenues, expenses and assets are recognised net of the amount of sales tax except:

- Where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

2.25 SEGMENT REPORTING

For management purposes, the Group is organised into operating segments based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers report directly to the management of the Company who regularly review the segment results in order to allocate resources to the segments and to assess the segment performance. Additional disclosures on each of these segments are shown in Note 32, including the factors used to identify the reportable segments and the measurement basis of segment information.

2.26 SHARE CAPITAL AND SHARE ISSUANCE EXPENSES

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.27 TREASURY SHARES

The Group's own equity instruments, which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount of treasury shares and the consideration received, if reissued, is recognised directly in equity. Voting rights related to treasury shares are nullified for the Group and no dividends are allocated to them respectively.

2.28 CONTINGENCIES

A contingent liability is:

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or

(b) a present obligation that arises from past events but is not recognised because:

(i) It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) The amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingent liabilities and assets are not recognised on the balance sheet of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair values can be reliably determined.

2.29 RELATED PARTIES

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Group and the Company if that person:

(i) Has control or joint control over the Company;

(ii) Has significant influence over the Company; or

(iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.

(b) An entity is related to the Group and the Company if any of the following conditions applies :

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) Both entities are joint ventures of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company;

(vi) The entity is controlled or jointly controlled by a person identified in (a); and

(vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 JUDGEMENTS MADE IN APPLYING ACCOUNTING POLICIES

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the consolidated financial statements:

Income taxes

Significant judgement is involved in determining the Group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. The carrying amounts of the Group's income tax payable, deferred tax liabilities and deferred tax assets at 31 December 2013 were S$98,000 (2012: S$127,000), S$6,352,000 (2012: S$4,774,000) and S$91,000 (2012: S$91,000) respectively.

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each reporting period are discussed below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

(i) Useful lives of oil and gas properties/ property, plant and equipment

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 3 to 10 years. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore future depreciation charges could be revised. The carrying amounts of the Group's and Company's property, plant and equipment at 31 December 2013 were S$9,702,000 (2012: S$11,819,000) and S$445,000 (2012: S$232,000) respectively. A 5% (2012: 5%) difference in the expected useful lives of these assets from management's estimates would result in S$110,000 (2012: S$99,000) variance in the Group's loss after tax.

Oil and gas properties are depreciated using UOP method by reference to the ratio of production in the period and the related commercial reserve of the field. Changes in the expected level of the commercial reserve of the field could impact the depreciation rate, therefore future depreciation could be revised. The carrying amount of the Group's oil and gas properties at 31 December 2013 was S$24,804,000 (2012: S$20,670,000). A 5% (2012: 5%) difference in the level of the commercial reserve of the field would result in S$30,000 (2012: S$77,000) variance in the Group's loss after tax.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES

3.2 KEY SOURCES OF ESTIMATION UNCERTAINTY (CONT'D)

(ii) Impairment of non-financial assets

The Group assesses whether there are any indicators of impairment for all non-financial assets at each reporting date. Goodwill and other intangible assets with indefinite useful life are tested for impairment annually and at other times when such indicators exist. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable.

When value in use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows. Further details of the key assumptions applied in the impairment assessment of goodwill and other intangible assets with indefinite useful life, are given in Note 12 to the financial statements.

(iii) Abandonment and site restoration liabilities

Abandonment and site restoration cost will be incurred by the Group at the end of the operating life of some of the Group's facilities and properties. The Group assesses its abandonment and site restoration liabilities at each reporting date. The ultimate abandonment and site restoration costs are uncertain and costs estimates can vary in response to many factors, including changes to relevant legal requirements, the emergence of new restoration techniques or experience at other production site. The expected timing, extent and amount of expenditure can also change, for example in response to changes in reserves or changes in laws and regulations or their interpretation. Therefore, there could be significant adjustments to the provisions established which would affect future financial results. The provision at reporting date represents management's best estimate of the present value of the future abandonment and site restoration costs required. The carrying amount of the provision as at 31 December 2013 was S$623,000 (2012: S$491,000). Further details are provided in Note 27.

(iv) Exploration and evaluation expenditures

The application of the Group's accounting policy for exploration and evaluation expenditure requires judgement to determine whether it is likely that future economic benefits are likely, from future either exploitation or sale, or whether activities have not reached a stage which permits a reasonable assessment of the existence of reserves. The determination of reserves and resources is itself an estimation process that requires varying degrees of uncertainty depending on how the resources are classified. These estimates directly impact when the Group defers exploration and evaluation expenditure. The deferral policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, whether an economically viable extraction operation can be established. Any such estimates and assumptions may change as new information becomes available. If, after expenditure is capitalised, information becomes available suggesting that the recovery of the expenditure is unlikely, the relevant capitalised amount is written off in profit or loss in the period when the new information becomes available.

4. TURNOVER

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Revenue from:		
Logistics services	63,194	60,103
Oil and gas sales	6,050	8,005
Rental income	3,628	3,458
	72,872	71,566

NOTES TO THE FINANCIAL STATEMENT

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5. OTHER INCOME

	GROUP	
	2013 S$'000	2012 S$'000
Leasing income	447	331
Diesel consumed by service partners	560	566
Port rebate	685	760
Interest income from banks	20	29
Demurrage/port/terminal handling charges	362	989
Management fee income	300	313
Others	598	422
	2,972	3,410

6. SALARIES AND EMPLOYEE BENEFITS

		GROUP	
	NOTE	2013 S$'000	2012 S$'000
Salaries and bonuses (including directors' fees)	31	20,710	20,758
Central Provident Fund contributions		1,579	1,428
Share based payment		2,810	1,750
Other benefits		3,448	2,291
		28,547	26,227

Share Options

At an Extraordinary General Meeting held in 2007, the Company's shareholders approved the Ramba Group Share Option Scheme ("RGSOS") for the granting of non-transferrable options that are settled by physical delivery of the ordinary shares of the Company, to eligible senior executives and employees respectively.

At the 30 April 2012 Annual General Meeting ("AGM"), the Company's shareholders approved the grant of 619,000 share options at the exercise price of S$0.39 per share to Mr Aditya Wisnuwardana Seky Soeryadjaya.

On 14 September 2012, the Company made an offer to grant 1,332,000 share options (other than controlling shareholders and their associates) to the eligible participants under the RGSOS at the exercise price of S$0.40 per share. The share options will be vested over three years and are exercisable after the 1st anniversary from the date of grant of the share options. The share options granted will expire on 14 September 2017.

On 1 March 2013, in connection to the Rights Issue exercise, the outstanding share options granted under the RGSOS have been adjusted.

On 22 March 2013, the Company made an offer to grant 1,867,000 share options (other than controlling shareholders and their associates) to the eligible participants under the RGSOS at the exercise price of S$0.505 per share. The share options will be vested over three years and are exercisable after the 1st anniversary from the date of grant of the share options. The share options granted will expire on 22 March 2018.

At the 24 April 2013 AGM, the Company's shareholders approved the grant of 492,600 (includes rights adjustment) and 600,000 share options at the exercise price of S$0.33 per share (which was granted on 22 March 2013) and S$0.505 per share respectively to Mr Aditya Wisnuwardana Seky Soeryadjaya.

During the year, the Company had vested 291,192 and 253,580 by way of allotment of new shares and using treasury shares respectively upon options exercised under the RGSOS.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

6. SALARIES AND EMPLOYEE BENEFITS (CONT'D)

Share Options (cont'd)

Movement of share options during the financial year

The following table illustrates the number (No.) and weighted average exercise prices (WAEP) of, and movements in, share options during the financial year:

	2013		2012	
	NO. '000	WAEP S$	NO. '000	WAEP S$
Outstanding at 1 January	3,546	0.40	3,143	0.40
- Granted	3,716	0.36	1,951	0.40
- Exercised	(545)	0.37	–	–
- Expired	–	–	(1,480)	0.38
- Cancelled	–	–	(68)	0.49
Outstanding at 31 December	6,717	0.38	3,546	0.40
Exercisable at 31 December	2,154	0.32	944	0.42

- The weighted average fair value of options granted during the financial year was S$0.20 (2012: $0.16).
- The range of the weighted average share price at the date of exercise of the options during the financial year was S$0.51 to S$0.60 (2012: $Nil).
- The range of exercise prices for options outstanding at the end of the year was S$0.321 to S$0.505 (2012: S$0.390 to S$0.485). The weighted average remaining contractual life of these options is 5 years (2012: 5 years).

Fair value of share based compensation

The fair value of the share based compensation granted under the RGSOS is estimated at the grant date using Black-Scholes Pricing Model, taking into account the terms and conditions upon which the instruments were granted.

The model takes into account historical dividends and the covariance on the share price fluctuation of the Company to predict the distribution of relative share performance.

The following table lists the inputs to the option pricing models for the years ended 31 December 2013 and 2012:

	RGSOS			
	24 APRIL 2013	22 MARCH 2013	14 SEPTEMBER 2012	30 APRIL 2012
Dividend yield (%)	0.00	0.00	0.00	0.00
Expected volatility (%)	53.44	53.19	46.36	48.30
Risk-free interest rate (% p.a.)	0.49	0.55	0.55	0.44
Expected life of option (years)	3.0	3.0	3.0	3.0
Share price as of valuation date (S$)	0.398 and 0.502	0.502	0.398	0.370

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

6. SALARIES AND EMPLOYEE BENEFITS (CONT'D)

Share Options (cont'd)

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Share awards

On 14 September 2012, the Company granted 2,360,000 share awards under RGPSP. The share awards will be released over three years from the grant date in equal one-third proportion of the total share awards granted.

On 1 March 2013, in connection to the Rights Issue exercise, the outstanding share awards granted under RGSOS have been adjusted.

On the same day, the Company granted 609,000 share awards to Mr. Aditya Wisnuwardana Seky Soeryadjaya, which was subsequently approved at the AGM held on 24 April 2013.

On 22 March 2013, the Company granted 2,744,000 share awards (other than controlling shareholders and their associates) under the RGPSP. The share awards will be released over three years from the grant date in equal one-third proportion of the total share awards granted. At the AGM held on 24 April 2013, the shareholders also approved the grant of 360,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya.

During the year, the Company vested 2,866,000 (2012: 1,136,000) and 1,321,000 (2012: 1,237,000) by way of allotment of new shares and using treasury shares respectively under the RGPSP awards. At the end of the reporting period, the total number of outstanding share awards and bonus awards granted by the Company amounted to 10,201,000 (2012: 8,824,000).

Fair value of RGPSP

The fair value of share awards granted under the RGPSP is based on the share price at the date of the grant.

7. FINANCE COSTS

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Interest expense – term loans	143	218
Finance charges – finance lease obligations	259	220
Accretion of interest for long term receivables	294	97
	696	535

NOTES TO THE FINANCIAL STATEMENT

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8. (A) OTHER OPERATING EXPENSES

	GROUP	
	2013 S$'000	2012 S$'000
Gain on disposal of property, plant and equipment	(46)	(44)
Loss on disposal of intangible assets	–	40
Impairment of intangible assets	100	150
Intangible assets written off	151	–
Gain on disposal of joint venture	–	(32)
Gain on disposal of right shares of a former subsidiary	–	(1,207)
Gain on liquidation of an associate	(306)	–
Audit fees paid to auditors of the Company	181	176
Non-audit fees paid to auditors of the Company	67	46
Audit fees paid to other auditors	147	153
Total audit and non-audit fees	395	375
Net foreign exchange loss	1,616	975
Rental expenses – office	479	560
Legal and other professional fees	1,585	734
Property, plant and equipment written-off	156	51
Impairment of property, plant and equipment	91	–
Allowance for doubtful receivables	564	4
Writeback for doubtful cash calls from joint venture partner	–	(2,541)

(B) LOSS BEFORE TAX

The following items have been included in the arriving at loss before tax:

	GROUP	
	2013 S$'000	2012 S$'000
Rental expenses – warehouse and leasehold building	4,010	4,132
Lease of transport equipment and ISO tanks	3,740	4,366
Upkeep of transport equipment	7,352	6,594

9. INCOME TAX

(a) The major components of income tax expense for the years ended 31 December were:

	GROUP	
	2013 S$'000	2012 S$'000
Consolidated income statement:		
Current income tax		
- Current year	247	386
- Under provision in respect of prior years	6	174
Deferred income tax		
- Origination of temporary differences	1,402	1,942
Income tax expense	1,655	2,502

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

9. INCOME TAX (CONT'D)

(b) Relationship between tax expenses and accounting loss

Reconciliation between income tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the years ended 31 December were as follows:

	GROUP	
	2013 **S$'000**	**2012** **S$'000**
Loss before tax	(14,012)	(4,962)
Tax at domestic rates applicable to losses in the countries in which the Group operates	(1,666)	(180)
Adjustments for tax effects of:		
Expenses non-deductible for tax purposes	3,691	2,678
Income not subject to taxation and deduction	(82)	(177)
Tax exempt profits/rebates	(237)	(247)
Share of results of associates and a joint venture	–	1
Under provision in respect of prior years	6	174
Deferred tax assets not recognised	16	180
Others	(73)	73
	1,655	2,502

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction.

Expenses not deductible for tax purposes include overhead charges of investment holding companies and joint operations and unrealised exchange losses.

10. BASIC AND DILUTED LOSS PER SHARE

The following table reflects the profit or loss and share data used in the computation of basic and diluted loss per share for the years ended 31 December:

	GROUP	
	2013 **S$'000**	**2012** **S$'000**
Loss net of tax attributable to owners of the Company used in the computation of basic/diluted loss per share	(15,276)	(7,622)
	No. of Shares	**No. of Shares**
Weighted average number of ordinary shares for basic/diluted loss per share computation with the Rights Issue adjustment	336,620,799	291,779,953
Basic/diluted loss per share attributable to owners of the Company (cents per share)	(4.54)	(2.61)

Basic loss per share is calculated by dividing loss for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share is calculated on the same basis as basic loss per share as there are no dilutive potential ordinary shares as at 31 December 2013 and 31 December 2012.

Since the end of the financial year, other than the followings, there have been no other transactions involving ordinary shares or potential ordinary shares.

(1) The Company granted 2,783,000 and 1,867,000 shares awards and share options at the exercise price of S$0.50 under the RGPSP and RGSOS respectively on 26 February 2014; and

(2) Pursuant to RGPSP, the Company had vested 1,020,000 and 286,338 by way of allotment of new shares on 24 March 2014 and 28 March 2014 respectively

NOTES TO THE FINANCIAL STATEMENT

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11. OIL AND GAS PROPERTIES/ PROPERTY, PLANT AND EQUIPMENT

GROUP	ISO TANKS S$'000	OFFICE EQUIPMENT S$'000	FURNITURE AND FITTINGS S$'000	RENOVATION S$'000	OFFICE CONTAINER S$'000	TOOLS AND EQUIPMENT S$'000	TRANSPORT EQUIPMENT S$'000	PROPERTY, PLANT AND EQUIPMENT, TOTAL S$'000	OIL AND GAS PROPERTIES S$'000	TOTAL S$'000
Cost:										
At 1 January 2012	3,170	2,930	1,335	659	15	87	10,102	18,298	24,482	42,780
Additions	–	370	314	153	–	21	5,355	6,213	1,326	7,539
Written-off	–	(38)	(163)	(75)	–	–	–	(276)	–	(276)
Net exchange differences	(189)	(9)	–	(3)	–	(3)	(200)	(404)	(1,282)	(1,686)
Transfers	–	–	(28)	–	–	–	–	(28)	(278)	(306)
At 31 December 2012 and 1 January 2013	2,981	3,253	1,458	734	15	105	15,257	23,803	24,248	48,051
Additions	–	397	40	259	3	35	518	1,252	4,041	5,293
Disposal	–	(9)	(12)	–	(2)	–	(149)	(172)	–	(172)
Written-off	–	(128)	(18)	(12)	–	(14)	–	(172)	–	(172)
Net exchange differences	104	(134)	(1)	(3)	–	(6)	(1,155)	(1,195)	781	(414)
At 31 December 2013	3,085	3,379	1,467	978	16	120	14,471	23,516	29,070	52,586
Accumulated depreciation and impairment loss:										
At 1 January 2012	337	2,449	762	592	15	74	6,081	10,310	2,088	12,398
Charge for the financial year	129	252	195	43	–	9	1,357	1,985	1,531	3,516
Reclassification	–	–	(3)	(8)	–	–	–	(11)	11	–
Written-off	–	(38)	(112)	(75)	–	–	–	(225)	–	(225)
Net exchange differences	(30)	8	–	3	–	(2)	(54)	(75)	(52)	(127)
At 31 December 2012 and 1 January 2013	436	2,671	842	555	15	81	7,384	11,984	3,578	15,562
Charge for the financial year	147	329	138	62	–	20	1,497	2,193	591	2,784
Disposal	–	(9)	(2)	–	(2)	–	(94)	(107)	–	(107)
Written-off	–	(4)	(5)	(1)	–	(6)	–	(16)	–	(16)
Impairment	91	–	–	–	–	–	–	91	–	91
Net exchange differences	25	(115)	–	(1)	–	(5)	(235)	(331)	97	(234)
At 31 December 2013	699	2,872	973	615	13	90	8,552	13,814	4,266	18,080
Net carrying amount:										
At 31 December 2012	2,545	582	616	179	–	24	7,873	11,819	20,670	32,489
At 31 December 2013	2,386	507	494	363	3	30	5,919	9,702	24,804	34,506

During the year, the Group had made additional provision for reinstatement of S$60,000 (2012: S$128,000) (Note 23) which was included in the additions to renovation.

In prior year, the Group received S$76,000 worth of transport equipment as proceeds for its divestment of its interest in PT Bintang RichLand.

Impairment of property, plant and equipment

During the financial year, a subsidiary of the Group within the logistics segment, had written down its ISO tanks to the recoverable amount, which the based on the selling price of these ISO tanks made subsequent to the year end.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

11. OIL AND GAS PROPERTIES/ PROPERTY, PLANT AND EQUIPMENT (CONT'D)

COMPANY	RENOVATION S$'000	TRANSPORT EQUIPMENT S$'000	OFFICE EQUIPMENT S$'000	TOTAL S$'000
Cost:				
At 1 January 2012	–	98	56	154
Additions	31	191	5	227
At 31 December 2012 and 1 January 2013	31	289	61	381
Additions	–	317	12	329
Disposals	–	(98)	–	(98)
At 31 December 2013	31	508	73	612
Accumulated depreciation:				
At 1 January 2012	–	49	27	76
Charge for the financial year	–	58	15	73
At 31 December 2012 and 1 January 2013	–	107	42	149
Charge for the financial year	8	76	14	98
Disposals	–	(80)	–	(80)
At 31 December 2013	8	103	56	167
Net carrying amount:				
At 31 December 2012	31	182	19	232
At 31 December 2013	23	405	17	445

<u>Assets held under finance lease</u>

During the financial year, the Group purchased certain office and transport equipment under finance lease arrangements as detailed below:

	Group		Company	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Cost	785	4,751	317	191
Consideration paid in cash	(142)	(1,175)	(92)	(34)
Amount under finance lease	643	3,576	225	157
Net carrying amount of assets at end of year held under finance leases	5,169	6,938	411	196

The office and transport equipment purchased under finance leases is pledged to financial institutions as security for facilities granted (Note 25) and some are guaranteed by the Company.

NOTES TO THE FINANCIAL STATEMENT

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12. INTANGIBLE ASSETS

GROUP	GOODWILL S$'000	SOFTWARE S$'000	CUSTOMER RELATIONSHIP S$'000	CLUB MEMBERSHIP S$'000	TOTAL S$'000
Cost:					
At 1 January 2012	1,800	1,310	180	304	3,594
Additions	–	547	–	–	547
Disposal	–	–	–	(99)	(99)
Transfers	–	(225)	–	–	(225)
Net exchange differences	–	(19)	–	–	(19)
At 31 December 2012 and 1 January 2013	1,800	1,613	180	205	3,798
Additions	–	54	–	–	54
Written off	–	(2)	–	(205)	(207)
Net exchange differences	–	(86)	–	–	(86)
At 31 December 2013	1,800	1,579	180	–	3,559
Accumulated amortisation and impairment:					
At 1 January 2012	–	270	–	42	312
Charge for the financial year	–	365	72	16	453
Impairment	150	–	–	–	150
Disposal	–	–	–	(20)	(20)
Net exchange differences	–	–	–	9	9
At 31 December 2012 and 1 January 2013	150	635	72	47	904
Charge for the financial year	–	408	36	8	452
Impairment	100	–	–	–	100
Written off	–	(1)	–	(55)	(56)
Net exchange differences	–	(46)	–	–	(46)
At 31 December 2013	250	996	108	–	1,354
Net carrying amount:					
At 31 December 2012	1,650	978	108	158	2,894
At 31 December 2013	1,550	583	72	–	2,205

Impairment testing of goodwill

Goodwill acquired through business combinations have been allocated to two cash-generating units (CGU) for impairment testing as follows:

- RichLand Chemical Logistics Pte Ltd and
- PT Hexindo Gemilang Jaya

The carrying amounts of goodwill allocated to each CGU are as follows:

	GROUP 2013 S$'000	GROUP 2012 S$'000
PT Hexindo Gemilang Jaya (Note (a))	993	993
RichLand Chemical Logistics Pte Ltd (Note (b))	557	657
	1,550	1,650

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

12. INTANGIBLE ASSETS (CONT'D)

(a) PT Hexindo Gemilang Jaya

PT Hexindo Gemilang Jaya is in its exploration stage for oil & gas. The Group has commenced its exploration and testing in the Lemang block during the year. Initial testing results have indicated presence of oil and gas. The recoverable amount of PT Hexindo Gemilang Jaya is determined based on value-in-use calculations using cash flow projection from the production forecast approved by management, covering periods until the end of the production sharing contract The future cash flows are discounted to their present value using a pre-tax discount rate of 10% (2012: 10%). The calculation of the value in use is most sensitive to the following assumptions:

Production volume – The production volumes are estimated based on the latest reserve evaluation report appraised by independent qualified valuers and the development and production plans of the participating contractors for the contract areas. The reserves are categorised as proved, probable and contingent. When necessary, risk factors are applied to the extraction of contingent reserves and/or reserves which are forecasted to be extracted during the extension period of the PSC.

Crude oil and gas prices and production cost – The future oil and gas prices are estimated based on the management's expectation of future crude oil and gas prices. The estimated production cost is adjusted for forecasted inflation of 2% (2012: 2%) per annum.

Discount rate – Discount rate represents the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the CGUs and derived from weighted average cost of capital (WACC) of the CGUs. The WACC 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 the interest bearing borrowings the Group is obliged to service. Segment–specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

(b) RichLand Chemical Logistics Pte Ltd

The recoverable amounts of the RichLand Chemical Logistics Pte Ltd have been determined based on value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period. The pre-tax discount rate applied to the cash flow projections and the forecasted growth rates used to extrapolate cash flow projections beyond the five-year period are 13% and 5% (2012: 12% and 6%).

The value in use calculations are most sensitive to the following assumptions:

Growth rates – The forecasted growth rate is based on past performance and management's expectation of market development.

Pre-tax discount rates – Discount rates represent the current market assessment of the risks specific to the CGU, regarding the time value of money and individual risks of the underlying assets which 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 (WACC). The WACC 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 the interest bearing borrowings the Group is obliged to service. Segment–specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for both PT Hexindo Gemilang Jaya and RichLand Chemical Logistics Pte Ltd, management believes that no reasonably possible changes in any of the above key assumptions would cause the carrying values of the units to materially exceed their recoverable amounts.

Impairment loss recognised

During the year, an impairment loss of S$100,000 (2012: S$150,000) was recognised to write down the goodwill attributable to RichLand Chemical Logistics Pte Ltd to its recoverable amount. The impairment loss was recognised in the current financial year in "other operating expenses" (Note 8(a)).

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

12. INTANGIBLE ASSETS (CONT'D)

COMPANY	SOFTWARE S$'000	CLUB MEMBERSHIP S$'000	TOTAL S$'000
Cost:			
At 1 January 2012	195	205	400
Additions	34	–	34
At 31 December 2012 and 1 January 2013	229	205	434
Additions	28	–	28
Written off	–	(205)	(205)
At 31 December 2013	257	–	257
Accumulated amortisation and impairment:			
At 1 January 2012	–	33	33
Charge for the financial year	1	14	15
At 31 December 2012 and 1 January 2013	1	47	48
Charge for the financial year	22	8	30
Written off	–	(55)	(55)
At 31 December 2013	23	–	23
Net carrying amount:			
At 31 December 2012	228	158	386
At 31 December 2013	234	–	234

Amortisation expense

The amortisation of software, customer relationship and club membership is included in the 'Depreciation and amortisation expenses' line item in consolidated income statement.

13. INVESTMENTS IN EXPLORATION AND EVALUATION ASSETS

Investments in exploration and evaluation assets refer to the participation rights in the oil and gas sharing contract, signature bonus and capitalised cost relating to the directly attributable overheads in the exploration and evaluation activities.

	GROUP 2013 S$'000	GROUP 2012 S$'000
Cost		
As at 1 January	23,255	12,438
Additions during the financial year	12,964	11,055
Transfers	–	531
Net exchange differences	804	(769)
	37,023	23,255

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14. INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2013	2012
	S$'000	S$'000
Unquoted shares, at cost	3,898	3,648
Less: Impairment loss	(1,050)	(1,050)
RGPSP/RGSOS contribution	–	146
	2,848	2,744

The details of subsidiaries are as follows:

	NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	COST 2013 S$'000	COST 2012 S$'000	EFFECTIVE EQUITY INTEREST 2013 %	EFFECTIVE EQUITY INTEREST 2012 %
Held by the Company:							
*	REL Resources Services Pte Ltd	Investment holding	Singapore	1,050	1,050	100	100
*	REL Oil & Gas Pte Ltd	Investment holding	Singapore	198	198	100	100
*	RichLand Global Pte Ltd	Investment holding	Singapore	2,400	2,400	100	100
*	RBC Properties Pte Ltd	Provision of real estate management services and investment holding	Singapore	250	@	100	100
				3,898	3,648		

	NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST 2013 %	EFFECTIVE EQUITY INTEREST 2012 %
Held through RichLand Global Pte Ltd:					
*	RichLand Logistics Services Pte Ltd	Provision of transportation management and airport cargo terminal handling	Singapore	100	100
*	RichLand Project Logistics Pte Ltd	Provision of specialised logistics and supply management services	Singapore	100	100

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14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST 2013 %	2012 %
Held through RichLand Global Pte Ltd:				
* RichLand Chemical Logistics Pte Ltd	Provision of logistics, transportation and freight forwarding services for the chemical industry	Singapore	100	100
** PT. RichLand Indonesia	Investment holding	Indonesia	99	99
Held through PT. RichLand Indonesia:				
** PT. RichLand Logistics Indonesia	Provision of transportation and logistics services	Indonesia	^100	^100
Held through RichLand Project Logistics Pte Ltd:				
** PT. RichLand Indonesia	Investment holding	Indonesia	1	1
Held through RichLand Chemical Logistics Pte Ltd				
# RichLand LSP Sdn Bhd	Provision of logistics, transportation and freight forwarding services for the chemical industry	Malaysia	100	100
Held through REL Resources Services Pte Ltd:				
## Ramba Resource Services Limited	Investment holding	British Virgin Islands ("BVI")	–	100
Held through REL Oil & Gas Pte Ltd :				
## Ramba Energy Investment Limited	Investment holding	BVI	100	100
Held through Ramba Energy Investment Limited:				
## Ramba Energy Indonesia Limited	Investment holding	BVI	100	100
Held through Ramba Energy Indonesia Limited:				
## Ramba Energy Production Ltd	Investment holding	BVI	100	100
## Ramba Energy Corridor Limited	Investment holding	BVI	–	100
## Ramba Energy Exploration Limited	Investment holding	BVI	100	100
## Ramba Resource Services Limited	Investment holding	BVI	100	–

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14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST 2013 %	2012 %
Held through Ramba Energy Exploration Ltd:				
** Ramba Energy West Jambi Limited	Exploration and production of oil and gas	BVI	100	100
## Ramba Energy Lemang Limited	Investment holding	BVI	100	100
** Ramba Energy Jatirarangon Limited	Exploration and production of oil and gas	Bermuda	100	95
## Ramba Energy Corridor Limited	Investment holding	BVI	100	–
Held through Ramba Energy Lemang Limited:				
** PT Hexindo Gemilang Jaya	Exploration and production of oil and gas	Indonesia	80.4	80.4

@ Denotes less than S$1,000
^ 51% of the shares are being held by PT Lumbung Surya Putra, which in turn had pledged its shares to RichLand Global Pte Ltd.

Audited by:
* Ernst & Young LLP, Singapore
** Ernst & Young, Indonesia
# Cheng & Co, Malaysia
Not required to be audited under laws of incorporation and these entities are also not material to the Group.

In accordance with Rule 716 of SGX-ST Listing Rules, the Audit Committee and Board of Directors of the Company confirmed that they have complied with Listing Rules 712 and 715 with regard to the appointment of the auditing firm for the Company.

15. INVESTMENT IN ASSOCIATE

	GROUP 2013 S$'000	GROUP 2012 S$'000	COMPANY 2013 S$'000	COMPANY 2012 S$'000
Shares, at cost	–	50	–	50
Share of post-acquisition reserves	–	1,766	–	–
Dividend received	–	(1,750)	–	–
	–	66	–	50

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15. INVESTMENT IN ASSOCIATE (CONT'D)

The details of associate was as follows:

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	EFFECTIVE EQUITY INTEREST 2013 %	EFFECTIVE EQUITY INTEREST 2012 %
Held by the Company:				
① RLG Development Pte Ltd	Dormant	Singapore	–	25

Note:

① RLG Development Pte Ltd was liquidated during the year and the Group's gain on liquidation amounted to S$306,000 (2012: S$Nil). The net cash settlement upon liquidation received by the Group is S$372,000 (2012: S$Nil).

The summarised financial information of RLG Development Pte Ltd adjusted for the proportion of ownership interest held by the Group, was as follows:

	GROUP 2013 S$'000	GROUP 2012 S$'000
Assets and liabilities:		
Total assets	–	78
Total liabilities	–	12
Results:		
Revenue	–	–
Profit for the year	–	–

16. LOANS TO SUBSIDIARIES

These loans are unsecured, non-interest bearing and expected to be settled in cash or offset against intercompany balances in future. They have no repayment term and the Directors of the Company do not expect the amounts to be receivable within the next 12 months. As the loans are repayable only when the cash flows of the subsidiaries permit, the fair values are not determinable as the timing of the future cash flows arising from the loans cannot be reasonably estimated.

17. LEASED ASSETS

Leased assets refer to the capitalised agent fees and stamp duty incurred in negotiating an operating lease. The capitalised costs are amortised over the relevant lease period on a straight line basis.

NOTES TO THE FINANCIAL STATEMENT

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18. TRADE RECEIVABLES

	GROUP		COMPANY	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Third party customers	15,100	16,331	–	–
Less: Allowance for doubtful trade receivables	(494)	(4)	–	–
Total trade receivables	14,606	16,327	–	–
Other receivables (Note 19)	9,679	8,930	28,841	11,708
Loans to subsidiaries (Note 16)	–	–	38,992	38,992
Cash and bank balances (Note 20)	6,483	5,252	366	867
Fixed deposits (Note 20)	1,316	1,306	–	–
Total loans and receivables	32,084	31,815	68,199	51,567

Trade receivables are non-interest bearing and are generally on 30-90 days terms. They are recognised at their original invoice amounts which represent their fair values on initial recognition.

<u>Trade receivables that are past due but not impaired</u>

The Group has trade receivables amounting to S$3,462,000 (2012: S$4,135,000) that are past due at the end of the reporting period but not impaired. These receivables are unsecured and the analysis of their ageing at the end of the reporting period were as follows:

	GROUP	
	2013 S$'000	2012 S$'000
Trade receivables past due but not impaired:		
Less than 30 days	2,417	2,936
30 to 60 days	839	699
61-90 days	102	165
91-120 days	58	194
More than 120 days	46	141
	3,462	4,135

<u>Trade receivables that are impaired</u>

The Group's trade receivables that are impaired at the end of the reporting period and the movement of the allowance accounts used to record the impairment were as follows:

	GROUP INDIVIDUALLY IMPAIRED	
	2013 S$'000	2012 S$'000
Trade receivables - nominal amounts	494	4
Less: Allowance for doubtful trade receivables	(494)	(4)
	–	–

NOTES TO THE FINANCIAL STATEMENT

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18. TRADE RECEIVABLES (CONT'D)

	GROUP INDIVIDUALLY IMPAIRED	
	2013 S$'000	2012 S$'000
Movement in allowance accounts:		
At 1 January	4	–
Charge for the year	564	4
Exchange difference	(74)	–
At 31 December	494	4

Trade receivables that are individually determined to be impaired at the end of the reporting period relate to debtors that are in significant financial difficulties and have defaulted on payments. These receivables are not secured by any collateral or credit enhancements.

All trade receivables are denominated in the respective functional currencies of the entities in the Group.

19. OTHER RECEIVABLES

	GROUP		COMPANY	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Current				
Refundable deposits	697	384	104	69
Due from joint venture partner	442	3,235	–	–
Due from subsidiaries	–	–	28,737	11,639
Deferred rent receivable	311	370	–	–
Due from related party	273	264	–	–
Cash calls due from related party	1,873	1,807	–	–
Sundry receivables	320	588	–	–
Disbursements due from customers	31	38	–	–
	3,947	6,686	28,841	11,708
Non-current				
Due from joint venture partner	3,705	1,191	–	–
Other receivables	2,027	1,053	–	–
	5,732	2,244	–	–
Total other receivables	9,679	8,930	28,841	11,708

<u>Sundry receivables and cash calls due from joint venture partner that are impaired</u>

Movements of the allowance/provision accounts used to record the impairment were as follows:

	GROUP		COMPANY	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Allowance for doubtful sundry receivables				
At beginning of year	–	(101)	–	–
Utilised during the year	–	101	–	–
At end of year	–	–	–	–
Provision for doubtful cash calls				
At beginning of year	–	(2,629)	–	–
Write back for the year	–	2,541	–	–
Net exchange differences	–	88	–	–
At end of year	–	–	–	–

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

19. OTHER RECEIVABLES (CONT'D)

Due from joint venture partner

The amounts due from joint venture partner refer to advances made for the joint venture partner's share of expenditure on the Ramba Energy Jatirarangon Limited's block. This will be paid through the joint venture partner's entitlement portion based on the Funding Agreement between the subsidiary and the joint venture partner.

Due from subsidiaries

The amounts due from subsidiaries are non-trade in nature, unsecured, non-interest bearing, repayable on demand and are expected to be settled in cash or offset against intercompany balances in future.

Other receivables (Non-current)

Other receivables refer to Value Added Tax receivable on oil and gas activities which is expected to be received from the Indonesian government only when the subsidiaries commence production.

Due from/cash calls due from related party

These balances, which are due from a related party, who is the non-controlling interest holder of PT Hexindo, are non-trade in nature, secured by shares in a subsidiary, non-interest bearing, expected to be repayable within the next twelve months and is expected to be settled in cash.

20. CASH AND SHORT-TERM DEPOSITS

	GROUP		COMPANY	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Cash on hand and at bank	6,483	5,252	366	867
Fixed deposits	1,316	1,306	–	–
Less: Restricted cash classified as non-current assets	(1,316)	(1,306)	–	–
	–	–	–	–
Cash and cash equivalents	6,483	5,252	366	867

Fixed deposits earn interest at 0.05% to 0.149% (2012: 0.01% to 0.205%) per annum.

Restricted cash represents the amount of fixed deposits pledged to certain banks to secure banking facilities.

Cash and bank balances denominated in foreign currencies as at 31 December 2013 are S$32,000 (2012: S$20,000), S$123,000 (2012: S$506,000) and S$120,000 (2012: S$861,000) in Singapore Dollars ("SGD"), Indonesian Rupiah ("IDR") and United States Dollars ("USD") respectively.

NOTES TO THE FINANCIAL STATEMENT

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21. TRADE PAYABLES

	GROUP		COMPANY	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Third party suppliers	13,760	11,353	–	–
Accrued operating expenses	3,581	4,411	–	–
Total trade payables	17,341	15,764	–	–
Other payables (Note 22)	14,126	11,887	1,243	2,013
Finance lease liabilities (Note 25)	4,424	4,532	323	163
Term loans (Note 26)	685	2,797	–	–
Other loan (Note 24)	3,625	–	3,625	–
Total financial liabilities carried at amortised cost	40,201	34,980	5,191	2,176

Trade payables are non-interest bearing and are normally settled on 60 days terms.

Trade payables denominated in foreign currencies as at 31 December 2013 are S$111,000 (2012: S$102,000) and S$977,000 (2012: S$746,000) in SGD and IDR respectively.

22. OTHER PAYABLES

	GROUP		COMPANY	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Current				
Cash calls advances from joint venture partner	4,431	2,520	–	–
Due to subsidiaries	–	–	83	517
Amount due to a director	71	71	71	71
Accrued salaries and employee benefits	2,278	2,717	363	499
Sundry payables	1,758	1,205	726	926
Security deposits from tenants	1,054	1,054	–	–
Deferred rent payable	166	54	–	–
Advances received from a third party	1,171	1,131	–	–
Advance billing to tenants	326	306	–	–
	11,255	9,058	1,243	2,013
Non-current				
Deferred rent payable	856	1,022	–	–
Due to a related party	1,872	1,807	–	–
Production bonus	143	–	–	–
	2,871	2,829	–	–
Total other payables	14,126	11,887	1,243	2,013

NOTES TO THE FINANCIAL STATEMENT

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22. OTHER PAYABLES (CONT'D)

Cash calls advances from joint venture partner

The cash calls advances from joint venture partner are non-trade in nature, unsecured, non-interest bearing, repayable on demand and are to be settled in cash.

Due to subsidiaries/a director

The amounts due to subsidiaries and a director are non-trade in nature, unsecured, non-interest bearing, payable on demand and are to be settled in cash.

Due to a related party

The amount due to a related party, which is the non-controlling interest holder of PT Hexindo, is non-trade in nature, non-interest bearing, unsecured and have no fixed term of repayment.

23. PROVISIONS

	GROUP		COMPANY	
	2013	**2012**	**2013**	**2012**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Current				
Provision for cargo and motor vehicles claims	266	162	–	–
Non-current				
Provision for employee benefits (Note 33)	422	393	–	–
Provision for reinstatement costs	386	326	39	39
	808	719	39	39

Movements in provision for cargo and motor vehicles claims for the logistics business during the year were as follows:

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Balance at 1 January	162	130
Provision made during the financial year	188	141
Utilised during the financial year	(84)	(109)
Balance at 31 December	266	162

As at the end of the reporting period, management is of the view that the expected timing of the settlement of these claims is not determinable.

Movements in provision for reinstatement costs for leased units during the year were as follows:

	GROUP		COMPANY	
	2013	**2012**	**2013**	**2012**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Balance at 1 January	326	226	39	8
Provision made during the financial year (Note 11)	60	128	–	31
Utilisation during the year	–	(28)	–	–
Balance at 31 December	386	326	39	39

It is expected that most of these costs will be incurred upon termination of lease.

NOTES TO THE FINANCIAL STATEMENT

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24. OTHER LOAN

The Company entered into a loan agreement with Ortus Holdings Limited, a related party, for a period of six months. The effective interest rate for the loan is 1.5% per annum during the financial year. Subsequent to year end, the loan was extended for another four months to 30 June 2014.

25. FINANCE LEASE LIABILITIES

The Group purchased certain office and transport equipment under finance lease agreements. There are no restrictions placed upon the Group by entering into these leases. The finance leases are repayable in full by year 2018 (2012: 2017) and the effective interest rates range from 2.9% to 12.8% (2012: 2.8% to 12.8%) per annum.

Future minimum lease payments under finance leases together with the present value of the net minimum lease payments are as follows:

GROUP	TOTAL MINIMUM LEASE PAYMENTS 2013 S$'000	PRESENT VALUE OF PAYMENTS 2013 S$'000	TOTAL MINIMUM LEASE PAYMENTS 2012 S$'000	PRESENT VALUE OF PAYMENTS 2012 S$'000
Not later than one year	1,727	1,531	1,596	1,412
Later than one year but not later than five years	3,094	2,893	3,363	3,120
Total minimum lease payments	4,821	4,424	4,959	4,532
Less: Amount representing finance charges	(397)	–	(427)	–
Present value of minimum lease payments	4,424	4,424	4,532	4,532

COMPANY	TOTAL MINIMUM LEASE PAYMENTS 2013 S$'000	PRESENT VALUE OF PAYMENTS 2013 S$'000	TOTAL MINIMUM LEASE PAYMENTS 2012 S$'000	PRESENT VALUE OF PAYMENTS 2012 S$'000
Not later than one year	83	71	54	48
Later than one year but not later than five years	270	252	123	115
Total minimum lease payments	353	323	177	163
Less: Amount representing finance charges	(30)	–	(14)	–
Present value of minimum lease payments	323	323	163	163

26. TERM LOANS

	GROUP	
	2013 S$'000	2012 S$'000
Term loans – S$ (current)	685	2,112
Term loans – S$ (non-current)	–	685
	685	2,797

The loan which is fully repayable in year 2014 and is guaranteed by the Company. The effective interest rate for the term loans is 2.80% (2012: 3.83%) per annum during the financial year.

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27. ABANDONMENT AND SITE RESTORATION LIABILITIES

The Group is required to provide for abandonment of all exploration wells and restoration of its drill sites, together with all estimates of monies required for the funding of any abandonment and site exploration program established in conjunction with an approved plan of development for a commercial discovery.

The abandonment and site restoration liabilities represent the present value of abandonment costs relating to all its exploration wells and restoration of its drill sites, which are expected to be incurred in year 2020 which is when the producing oil and gas properties are expected to cease operations. These provisions have been created based on the Group's internal estimates. Assumptions based on current economic environment have been made, which management believes are a reasonable basis upon which to estimate the future liability.

Expenditures incurred in the abandonment of exploratory wells and the restoration of their drill sites shall be charged as operating costs, calculated based on the total estimated cost of abandonment and site restoration for each discovery divided by the total estimated number of economic years of each discovery. The estimates shall be reviewed on an annual basis and shall be adjusted each year as required. The range of discount rate applicable in 2013 was 6% to 8% (2012: 8%). Furthermore, the timing of abandonment is likely to depend on when the fields cease to produce at economically viable rates. This, in turn, will depend upon future oil and gas prices, which are inherently uncertain.

Movements in provision for abandonment and site restoration liabilities during the year were as follows:

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Balance at 1 January	491	494
Provision made during the financial year	41	27
Exchange differences	91	(30)
Balance at 31 December	623	491

28. DEFERRED TAX

Deferred income tax as at 31 December relates to the following:

	GROUP			
	CONSOLIDATED BALANCE SHEET		**CONSOLIDATED INCOME STATEMENT**	
	2013	**2012**	**2013**	**2012**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Deferred tax liabilities:				
Differences in depreciation	(119)	(259)	(140)	126
Oil and gas properties	(6,233)	(4,515)	1,542	1,731
	(6,352)	(4,774)	1,402	1,857
Deferred tax asset:				
Difference in timing of rental income recognition	91	91	–	85
			1,402	1,942

As at the end of the reporting period, the Group has unutilised tax losses and unabsorbed capital allowances of approximately S$3,978,000 (2012: S$3,027,000) and S$1,192,000 (2012: S$1,145,000) respectively that are available for offset against future taxable profits of the companies in which the losses and capital allowances arose for which no deferred tax asset is recognised due to uncertainty of its recoverability. The use of these tax losses and capital allowances is subject to the agreement of the tax authority and compliance with certain provisions of the tax legislation of the countries in which the companies operate.

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28. DEFERRED TAX (CONT'D)

The unabsorbed tax losses and capital allowances have no expiry date except for the unabsorbed tax losses disclosed below. Expiry dates of the unabsorbed tax losses which can be carried forward for a limited duration is as follows:

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Can be utilised up to:		
- 2016	274	305
- 2017	340	415
- 2018	943	–
	1,557	720

29. SHARE CAPITAL AND TREASURY SHARES

(A) SHARE CAPITAL

	GROUP AND COMPANY			
	2013		2012	
	NO. OF SHARES '000	**S$'000**	**NO. OF SHARES '000**	**S$'000**
Issued and fully paid ordinary shares				
At 1 January	245,460	64,256	244,324	63,804
New share issuance	96,831	19,366	–	–
New shares issuance for share options	174	147	–	–
New share issuance for share awards	2,983	1,405	1,136	458
Share issuance expense	–	(911)	–	(6)
At 31 December	345,448	84,263	245,460	64,256

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

The Company has one employee share option plan under which options to subscribe for the Company's ordinary shares have been granted to employees of the Group.

(B) TREASURY SHARES

	GROUP AND COMPANY			
	2013		2012	
	NO. OF SHARES '000	**S$'000**	**NO. OF SHARES '000**	**S$'000**
At 1 January	3,382	(1,746)	4,619	(2,384)
Reissuance during the financial year	(1,575)	811	(1,237)	638
At 31 December	1,807	(935)	3,382	(1,746)

Treasury shares relate to ordinary shares of the Company that is held by the Company. The Company reissued 1,575,000 (2012: 1,237,000) shares during the financial year.

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30. OTHER RESERVES

(A) SHARE BASED PAYMENT RESERVE

Share based payment reserve represents the equity settled share options and awards granted to employees and Directors (Note 6). The reserve is made up of the cumulative value of services received from employees and Directors recorded over the vesting period commencing from the grant date of equity settled share options and awards. It is reduced by the expiry or exercise of the share options and upon share issue for the share awards.

(B) FOREIGN CURRENCY TRANSLATION RESERVE

The foreign currency translation reserve records exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

(C) CAPITAL RESERVE

Capital reserve arose from the acquisition of the remaining interest in subsidiaries in prior years. The Group has adopted the entity concept approach in recording these transactions.

(D) GAIN ON REISSUANCE OF TREASURY SHARES

This represents the gain or loss arising from purchase, sale, issue or cancellation of treasury shares. No dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets (including any distribution of assets to members on a winding up) may be made in respect of this reserve.

(E) OTHERS

This relates to the re-measurement of defined benefit obligation.

31. RELATED PARTY TRANSACTIONS

(a) Compensation of key management personnel

	GROUP	
	2013 **S$'000**	**2012** **S$'000**
Directors' fees	411	411
Directors' remuneration	1,486	1,348
Share based payments	2,000	1,351
	3,897	3,110
Key management personnel's remuneration	1,779	2,307
Central Provident Fund contributions	25	31
Share based payments	367	197
	2,171	2,535
	6,068	5,645

Directors' interests in share based payment scheme

During the financial year, 2,959,600 (2012: 1,951,000), 2,488,000 (2012: 1,866,000) and Nil (2012: 1,085,500) share options, share awards and bonus awards were granted to the Company's Directors under the RGSOS and RGPSP respectively (Note 6). The share options are issued at an exercise price of S$0.505 (2012: S$0.40) each, except 492,600 share options which were issued at an exercise price of S$0.33 each.

At the end of the reporting period, the total number of outstanding share options, share awards and bonus shares granted by the Company to the Directors under the RGSOS and RGPSP amount to 6,717,190, 3,751,122 and 3,291,682 (2012: 3,241,000, 3,043,000 and 3,257,000) respectively.

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31. RELATED PARTY TRANSACTIONS (CONT'D)

(b) *Sales and purchase of goods and services*

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions between the Group and related parties took place at terms agreed between the parties during the financial year:

	GROUP	
	2013 S$'000	2012 S$'000
Legal and secretarial fees paid to a firm of which a Director is the managing partner	207	512

(c) *Due from related party/Cash calls due from related party*

The Group has amounts due from a related party, which is the non-controlling interest holder of PT Hexindo. A close family member of a Director has a shareholding interest in the non-controlling interest. The amount due from the related party is disclosed in Note 19 of the financial statements.

32. SEGMENT INFORMATION

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

I. The oil and gas segment;
II. The logistics segment comprises transportation management and air cargo terminal handling services;
III. The rental segment relates to the property rental business; and
IV. The corporate segment relates to group level corporate services and treasury function.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management 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 which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. Group financing (including finance costs) 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.

2013	OIL AND GAS S$'000	LOGISTICS S$'000	RENTAL S$'000	CORPORATE S$'000	ELIMINATIONS/ ADJUSTMENTS S$'000	TOTAL S$'000	NOTE
Revenue:							
Sales to external customers	6,050	63,194	3,628	–	–	72,872	
Other income	256	2,669	3	44	–	2,972	
Inter-segment sales	–	128	219	96	(443)	–	A
Total revenue	6,306	65,991	3,850	140	(443)	75,844	
Segment loss	(1,553)	(3,176)	(514)	(8,073)	–	(13,316)	
Finance costs						(696)	
Loss before tax						(14,012)	
Taxation						(1,655)	
Net loss for the year						(15,667)	

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31 December 2013

32. SEGMENT INFORMATION (CONT'D)

2013	OIL AND GAS S$'000	LOGISTICS S$'000	RENTAL S$'000	CORPORATE S$'000	ELIMINATIONS/ ADJUSTMENTS S$'000	TOTAL S$'000	NOTE
Interest income	–	18	2	–	–	20	
Depreciation and amortisation expenses	610	2,332	130	128	36	3,236	
Impairment of non-financial assets	–	91	–	–	100	191	
Other non-cash expenses	320	2,441	5	2,005	–	4,771	B
Assets							
Additions to non-current assets	17,005	456	12	133	–	17,606	
Segment assets	75,502	25,192	3,570	1,031	1,713	107,008	C
Segment liabilities	16,651	15,859	3,845	5,543	6,450	48,348	D

2012	OIL AND GAS S$'000	LOGISTICS S$'000	RENTAL S$'000	CORPORATE S$'000	ELIMINATIONS/ ADJUSTMENTS S$'000	TOTAL S$'000	NOTE
Revenue:							
Sales to external customers	8,005	60,103	3,458	–	–	71,566	
Other income	313	3,071	2	24	–	3,410	
Inter-segment sales	–	116	219	46	(381)	–	A
Total revenue	8,318	63,290	3,679	70	(381)	74,976	
Segment profit/(loss)	4,181	69	215	(8,887)	–	(4,422)	
Finance costs						(535)	
Share of results of a joint venture						(5)	
Loss before tax						(4,962)	
Taxation						(2,502)	
Net loss for the year						(7,464)	

NOTES TO THE FINANCIAL STATEMENT

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32. SEGMENT INFORMATION (CONT'D)

2012	OIL AND GAS S$'000	LOGISTICS S$'000	RENTAL S$'000	CORPORATE S$'000	ELIMINATIONS/ ADJUSTMENTS S$'000	TOTAL S$'000	NOTE
Interest income	–	22	1	6	–	29	
Depreciation and amortisation expenses	1,550	2,091	168	88	72	3,969	
Share of results of a joint venture	–	(5)	–	–	–	(5)	
Impairment of non-financial assets	–	–	–	–	150	150	
Other non-cash expenses	(2,396)	194	51	1,379	–	(772)	B
Assets							
Investment in associate	–	–	–	66	–	66	
Additions to non-current assets	12,391	6,142	279	329	–	19,141	
Segment assets	55,587	29,720	2,897	2,053	1,849	92,106	C
Segment liabilities	12,260	16,859	2,722	4,511	4,901	41,253	D

Notes *Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements*

A Inter-segment sales are eliminated on consolidation.

B Other non-cash expenses consist of share based payment, gains and losses on disposal of investment, property, plant and equipment and intangible assets, allowance for doubtful receivables, write-back of doubtful cash calls from joint venture partner, property, plant and equipment and intangible assets written-off, unrealised foreign exchange and gain on liquidation of an associate.

C The following items are added to segment assets to arrive at total assets reported in the consolidated balance sheet:

	2013 S$'000	2012 S$'000
Deferred tax assets	91	91
Goodwill	1,550	1,650
Customer relationship	72	108
	1,713	1,849

D The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated balance sheet:

	2013 S$'000	2012 S$'000
Deferred tax liabilities	6,352	4,774
Income tax payable	98	127
	6,450	4,901

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

32. SEGMENT INFORMATION (CONT'D)

Geographical information

Revenue and non-current assets information based on geographical location of customers and assets respectively are as follows:

	GEOGRAPHICAL LOCATION		
	SINGAPORE S$'000	INDONESIA S$'000	TOTAL S$'000
2013			
Revenue	45,418	30,426	75,844
Non-current assets	8,003	72,890	80,893
2012			
Revenue	47,245	27,731	74,976
Non-current assets	8,876	53,577	62,453

Information about major customers

Revenue from 5 major customers amount to S$44,586,000 (2012: 5 customers – S$41,745,000) arising from revenue of the logistics segment.

Revenue from 1 major customer amount to S$6,050,000 (2012: 1 customer – S$8,005,000) arising from revenue of the oil and gas segment.

33. DEFINED BENEFIT PLAN

The Group operates a defined benefit pension plan which requires contributions to be made to separately administered funds. The Group also provides unfunded post-employment benefits to certain employees.

The Group's defined benefit obligations were as follows:

	GROUP			
	FUNDED PENSION PLAN		UNFUNDED POST-EMPLOYMENT BENEFITS	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
Present value of defined benefit obligations	126	123	422	362
Fair value of plan assets	(134)	(113)	–	–
Actuarial gain/(loss)	8	(8)	–	29
Net liability arising from defined benefit obligations	–	2	422	391

Changes in present value of the defined benefit obligations were as follows:

	GROUP			
	FUNDED PENSION PLAN		UNFUNDED POST-EMPLOYMENT BENEFITS	
	2013 S$'000	2012 S$'000	2013 S$'000	2012 S$'000
At 1 January	123	59	362	–
Interest cost	–	4	18	9
Current service cost	43	58	232	323
Actuarial gains and losses arising from changes in financial assumptions	(23)	12	(101)	57
Plan amendments	–	–	-	2
Exchange differences	(17)	(10)	(89)	(29)
At 31 December	126	123	422	362

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

33. DEFINED BENEFIT PLAN (CONT'D)

Changes in fair value of plan assets were as follows:

	GROUP FUNDED PENSION PLAN 2013 S$'000	2012 S$'000
At 1 January	113	13
Return on plan assets	4	7
Contributions	37	54
Exchange differences	(20)	39
At 31 December	134	113

All the Group's plan assets are in the Indonesian entities' equities as at 31 December 2013 and 2012. The Group expects to contribute S$40,000 (2012: S$70,000) to the defined benefit pension plans in 2014.

The principal assumptions used in determining pension and post-employment benefit obligations for the defined benefit plan are shown below:

	2013	2012
Discount rates:	8.0% - 9.0%	4.8 - 6.0%
Expected annual rate of return on plan assets:	8%	5.0%
Future annual salary increases:	7.5% - 10.0%	5.0 - 10.0%
Mortality rate reference:	Indonesian Mortality Table 2011	Indonesian Mortality Table 2011
Disability rate:	10% of mortality rate	10% of mortality rate
Retirement age:	56	56

Sensitivity to changes in assumptions

Management believes that no reasonably possible changes in any of the above key assumptions would result in a material change in the carrying value of the pension and post-employment benefit obligation for the defined benefit plan.

34. COMMITMENTS

(A) CAPITAL COMMITMENTS

Capital expenditure contracted for as at the end of the reporting period but not recognised in the financial statements are as follows:

	GROUP 2013 S$'000	2012 S$'000
Capital commitments in respect of oil and gas exploration	69,197	84,583

The capital commitments in respect of oil and gas exploration relates to committed work programmes at the Group's oil and gas properties. These work commitments are expected to be carried out over the next 1 to 3 years (2012: 1 to 4 years).

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31 December 2013

34. COMMITMENTS (CONT'D)

(B) OPERATING LEASES COMMITMENTS - AS LESSEE

The Group has entered into commercial leases for properties and transport equipment. These leases have remaining uncancellable lease terms of between 1 to 5 years (2012: 1 to 6 years) with renewal options negotiable before the lease expires and escalation clauses in the contracts. There were no restrictions placed upon the Group by entering into these leases. Future minimum lease payments payable under non-cancellable operating leases at the end of the reporting period are as follows:

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Not later than one year	7,094	6,966
Later than one year but not later than five years	10,832	14,233
Later than five years	–	943
	17,926	22,142

(C) OPERATING LEASE COMMITMENTS - AS LESSOR

The Group has entered into commercial property leases on its leased property. These non-cancellable leases have remaining lease terms of between one to three years (2012: one to four years). Future minimum rentals receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	GROUP	
	2013	**2012**
	S$'000	**S$'000**
Not later than one year	3,927	3,528
Later than one year but not later than five years	2,422	4,352
	6,349	7,880

35. CONTINGENCIES

CONTINGENT LIABILITIES

(a) Legal claim

(i) On 14 October 2011, RBC Properties Pte Ltd, ("RBC") a wholly-owned subsidiary of the Company, received a writ of summons by Defu Furniture Pte Ltd (the "Plaintiff").

In the writ, the Plaintiff claimed a total sum S$1,400,000 (excluding damages, costs and interest) in respect of the recission of the Letter of Offer relating to a Lease for 5 years for certain premises at the RichLand Business Centre.

On 3 January 2014, the trial concluded and the High Court dismissed RBC's defence and counterclaim against the Plaintiff and held that the Plaintiff had validly rescinded the Letter of Offer.

RBC has lodged a Notice of Appeal subsequently and will vigorously defend its position against the judgement and pursue its claim against the Plaintiff in the Court of Appeal.

(ii) In April 2012, a wholly-owned subsidiary, Ramba Energy West Jambi Limited has been served a writ of summons by Verona Capital Pty Ltd (the "Plaintiff").

The Plaintiff claimed for, inter alia, the return of all payments made by the Plaintiff under the Investment Agreement dated 25 July 2011 which amounted to US$1,000,000 together with damages in the amount of US$498,598, totalling US$1,498,598.

The Group has been advised by its legal counsel that it has an even to good prospect in defending the claims in the suit against Verona Capital Pty Ltd.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

35. CONTINGENCIES (CONT'D)

CONTINGENT LIABILITIES (CONT'D)

(b) Guarantees

The Group has provided the following guarantees at the end of the reporting period.

(i) Guarantee to Pertamina of S$3.7 million (2012: S$3.7 million) for its obligation as a contractor on a seismic acquisition and drilling commitment of the oil and gas project.

(ii) Guarantee to the landlord of RichLand Business Centre on the rental obligation taken by a subsidiary of S$2.4 million (2012: S$2.3 million).

(iii) Guarantee to the Department of Energy and Mineral Resources, Indonesia of S$15.2 million (2012: S$Nil) for its obligation as a contractor on a seismic acquisition and processing.

(c) Oil and gas operations

The Group's oil and gas operations in Indonesia are subject to Indonesian laws and regulations governing the discharge of materials into the environment or otherwise relating to environment protection. These laws and regulations may require the acquisition of a permit before drilling commences, which may restrict the types, quantities and concentration of various substances that can be released into the environment in connection with drilling and production activities, limit or prohibit drilling activities on certain lands lying within wilderness, wetlands and other protected areas, and require remedial measures to prevent pollution resulting from the Group's operations. The Government has imposed environmental regulations on oil and gas companies operating in Indonesia and in Indonesian waters. Operators are prohibited from allowing oil into the environment and must ensure that the area surrounding any onshore well is restored to its original state insofar as this is possible after the Operator has ceased to operate on the site.

Management believes that the Group and the Operator of the Block are in compliance with current applicable environmental laws and regulations.

(d) Operating hazards and uninsured risks

The Group's oil and gas operations are subject to hazards and risks inherent in drilling for and production and transportation of natural gas and oil, such as fires, natural disasters, explosions, encountering formations with abnormal pressures, blowouts, cratering, pipeline ruptures and spills, which can result in the loss of hydrocarbons, environmental pollution, personal injury claims and other damage to properties of the Group. Additionally, certain of the Group's oil and natural gas operations are located in areas that are subject to tropical weather disturbances, some of which can be severe enough to cause substantial damage to facilities and possibly interrupt production. As protection against operating hazards, the Group maintains insurance against some, but not all potential losses. The Group's insurance coverage for its oil and gas exploration and production activities includes, but is not limited to, loss of wells, blowouts and certain costs of pollution control, physical damage to certain assets, employer's liability, comprehensive general liability, and automobile and worker's compensation insurance.

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group and the Company is exposed to financial risks arising from its operations and the use of financial instruments. The key financial risks include interest rate risk, foreign currency risk, credit risk and liquidity risk. The Board of Directors reviews and agrees policies and procedures for the management of these risks, which are executed by the Chief Financial Officer. The Audit Committee provides independent oversight to the effectiveness of the risk management process. It is, and has been throughout the current and previous financial year, the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Group's and Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks.

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36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of the Group's and the Company's financial instruments will fluctuate because of changes in market interest rates. The Group's and the Company's exposure to interest rate risk arises primarily from surplus funds placed with financial institutions. The Group manages its interest rate risks on its interest income by placing cash balances with reputable banks and financial institutions.

At the end of the reporting period, the sensitivity analysis of the interest rates, with all other variables held constant, showed an insignificant impact on the Group's loss net of tax.

(b) *Foreign currency risk*

The Group has transactional currency exposures arising from sales or purchases that are denominated in a currency other than the respective functional currencies of the Group entities, primarily SGD, USD and IDR. The Group does not enter into forward foreign currency contracts to hedge against its foreign currency risk resulting from sale and purchase transactions denominated in foreign currencies. The Group manages the risk by a policy to maintain its revenue based on the respective functional currencies of the Group entities.

At the end of the reporting period,

– 100% (2012: 100%) of the Group's sales are denominated in the respective Group's entities' functional currencies; and

– Included in payables of a subsidiary is an amount of S$4,511,000 (2012: S$4,511,000) not denominated in the subsidiary's functional currency, IDR.

Sensitivity analysis for foreign currency risk

A 5% (2012: 5%) strengthening of SGD against IDR at the reporting date would have the impact as shown below. A 5% (2012: 5%) weakening of SGD against IDR at the reporting date would have the equal but opposite effect. This analysis assumes that all other variables, in particular interest rates and tax rates remain constant.

	GROUP INCREASE LOSS NET OF TAX	
	2013 S$'000	2012 S$'000
SGD/IDR	225	170

In addition to transactional exposure, the Group is also exposed to foreign exchange movement in its investments in foreign subsidiaries. The Group does not hedge its currency exposure arising from investments in foreign subsidiaries as they are considered to be long term in nature.

(c) *Credit risk*

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash and short-term deposits), the Group and the Company minimise credit risk by dealing exclusively with high credit rating counterparties.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and creditworthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with a result that the Group's exposure to bad debts is not significant.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) *Credit risk (cont'd)*

Exposure to credit risk

At the end of the reporting period, the Group's and the Company's maximum exposure to credit risk is represented by the carrying amount of each class of financial assets recognised in the balance sheet.

Credit risk concentration profile

The Group determines concentrations of credit risk by monitoring the country profile of its trade receivables on an on-going basis. The credit risk concentration profiles of the Group's trade receivables at the end of the reporting period were as follows:

	GROUP			
	2013 S$'000	2013 % OF TOTAL	2012 S$'000	2012 % OF TOTAL
By country:				
Singapore	9,603	65.7	9,279	56.8
Indonesia	4,852	33.2	6,703	41.1
Others	151	1.1	345	2.1
	14,606	100.0	16,327	100.0

At the end of the reporting period, approximately 39% (2012: 33%) and 25% (2012: 30%) of the Group trade receivables were due from 4 (2012: 4) and 2 (2012: 2) major customers who are located in Singapore and Indonesia respectively.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 18 (trade receivables).

(d) *Liquidity risk*

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of stand-by credit facilities.

The Group's long term liquidity risk management policy is to maintain sufficient liquid financial assets and stand-by credit facilities with banks. At the end of the reporting period, approximately 67% (2012: 48%) of the Group's loans and borrowings (Notes 24, 25 and 26) will mature in less than one year based on the carrying amount reflected in the financial statements.

ANALYSIS OF FINANCIAL INSTRUMENTS BY REMAINING CONTRACTUAL MATURITIES

The table below summarises the maturity profile of the Group's and the Company's financial assets and liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) *Liquidity risk (cont'd)*

	2013			2012		
	1 YEAR OR LESS S$'000	1 TO 5 YEARS S$'000	TOTAL S$'000	1 YEAR OR LESS S$'000	1 TO 5 YEARS S$'000	TOTAL S$'000
Group						
Financial assets:						
Trade and other receivables	18,553	5,732	24,285	23,013	2,244	25,257
Cash and short-term deposits	6,483	1,316	7,799	5,252	1,306	6,558
Total undiscounted financial assets	25,036	7,048	32,084	28,265	3,550	31,815
Financial liabilities:						
Trade and other payables	28,596	2,871	31,467	24,822	2,829	27,651
Finance lease liabilities	1,727	3,094	4,821	1,596	3,363	4,959
Term loans	695	–	695	2,195	695	2,890
Other loan	3,654	–	3,654	–	–	–
Total undiscounted financial liabilities	34,672	5,965	40,637	28,613	6,887	35,500
Total net undiscounted financial (liabilities)/ assets	(9,636)	1,083	(8,553)	(348)	(3,337)	(3,685)

	2013			2012		
	1 YEAR OR LESS S$'000	NO FIXED TERM OF REPAYMENT S$'000	TOTAL S$'000	1 YEAR OR LESS S$'000	NO FIXED TERM OF REPAYMENT S$'000	TOTAL S$'000
Company						
Financial assets:						
Other receivables	28,841	–	28,841	11,708	–	11,708
Loans to subsidiaries	–	38,992	38,992	–	38,992	38,992
Cash and short-term deposits	366	–	366	867	–	867
Total undiscounted financial assets	29,207	38,992	68,199	12,575	38,992	51,567
Financial liabilities:						
Trade and other payables	1,243	–	1,243	2,013	–	2,013
Finance lease liabilities	83	270	353	54	123	177
Other loan	3,654	–	3,654	–	–	–
Total undiscounted financial liabilities	4,980	270	5,250	2,067	123	2,190
Total net undiscounted financial assets	24,227	38,722	62,949	10,508	38,869	49,377

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

36. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(d) *Liquidity risk (cont'd)*

The table below shows the contractual expiry by maturity of the Group's and the Company's capital and operating lease commitments. The maximum amounts of the commitments are allocated to the earliest period in which the commitments could be called.

GROUP	1 YEAR OR LESS S$'000	1 TO 5 YEARS S$'000	LATER THAN 5 YEARS S$'000	TOTAL S$'000
2013				
Capital commitments	53,387	15,810	–	69,197
Operating lease commitments (net)	3,167	8,410	–	11,577
Total commitments	56,554	24,220	–	80,774
2012				
Capital commitments	53,800	30,783	–	84,583
Operating lease commitments (net)	3,438	9,881	943	14,262
Total commitments	57,238	40,664	943	98,845

Company

COMPANY	1 YEAR OR LESS S$'000	1 TO 5 YEARS S$'000	TOTAL S$'000
2013			
Operating lease commitments	397	340	737
2012			
Operating lease commitments	323	177	500

The table below shows the contractual expiry by maturity of the Group's financial gurantee contracts. The maximum amounts of the financial guarantee contracts are allocated to the earliest period in which the guarantees could be called.

GROUP	1 YEAR OR LESS S$'000	TOTAL S$'000
2013		
Financial guarantees	2,400	2,400
2012		
Finance guarantees	2,300	2,300

37. CAPITAL MANAGEMENT

Capital includes debt and equity items as disclosed in the table below.

The primary objective of the Group's capital management is to ensure that it maintains 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. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2013 and 31 December 2012.

The Group monitors capital using a gearing ratio, which is total borrowings divided by total equity and borrowings. The Group's policy is to keep gearing ratio beneficial to the Group. The Group's total borrowings include term loans, finance lease liabilities and other loan.

	GROUP 2013 S$'000	GROUP 2012 S$'000
Term loans (Note 26)	685	2,797
Finance lease liabilities (Note 25)	4,424	4,532
Other loan (Note 24)	3,625	–
Total borrowings	8,734	7,329
Equity	58,660	50,853
Gearing ratio	13.0%	12.6%

NOTES TO THE FINANCIAL STATEMENT

31 December 2013

38. FAIR VALUE OF FINANCIAL INSTRUMENTS

A. FAIR VALUE OF FINANCIAL INSTRUMENTS BY CLASSES THAT ARE NOT CARRIED AT FAIR VALUE AND WHOSE CARRYING AMOUNTS ARE REASONABLE APPROXIMATION OF FAIR VALUE

Cash and bank balances, fixed deposits, trade and other receivables (excluding non-current portion), trade and other payables (excluding non-current portion), term loans, other loan and finance lease liabilities

The carrying amounts of these financial assets and liabilities are reasonable approximation of fair values, either due to their short-term nature or that they are floating rate instruments that are re-priced to market interest rates on or near the end of the reporting period.

B. FAIR VALUE OF FINANCIAL INSTRUMENTS BY CLASSES THAT ARE NOT CARRIED AT FAIR VALUE AND WHOSE CARRYING AMOUNTS ARE NOT REASONABLE APPROXIMATION OF FAIR VALUE

The fair value of financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value are as follows:

	GROUP			
	2013		2012	
	CARRYING AMOUNT S$'000	FAIR VALUE S$'000	CARRYING AMOUNT S$'000	FAIR VALUE S$'000
Financial liabilities				
Term loans	–	–	2,797	2,718

The fair values of the term loans in 2012 were determined using discounted cash flows. The discount rates used are the current market incremental lending rates for similar types of lending, borrowing and leasing agreements.

Other receivables (non-current) (Note 19) and other payables (non-current) (Note 22) and loans to subsidiaries (Note 16) – Company level

These amounts are unsecured, non-interest bearing and have no fixed repayment terms and are repayable only when the Group's/the borrower's cash flow permits. Accordingly, fair value is not determinable as the timing of the future cash flows arising from the loans cannot be estimated reliably.

39. EVENTS OCCURRING AFTER THE REPORTING PERIOD

(i) On 26 February 2014, the Company granted 2,783,000 and 1,867,000 share awards (other than controlling shareholders and their associates) and share options at the exercise price of S$0.50 under the RGPSP and RGSOS respectively. The share awards will be released over three years from the grant date in equal one-third proportion of the total share awards granted.

On the same date, the Company granted 71,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya, an associate of the controlling shareholder of the Company, which will be subject to the shareholder approval at the forthcoming AGM.

(ii) Subsequent to year end, the Group received the full amount from the trade receivable that was impaired (Note 18) at the end of the reporting period.

(iii) The loan from Ortus Holdings Limited (Note 24) was extended by the lender for another four months to 30 June 2014.

(iv) The Company increased the issued and paid-up share capital of its subsidiary, RBC Properties Pte. Ltd. through an additional allotment and issuance of 250,000 ordinary shares satisfied by way of cash injection of S$250,000.

40. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2013 were authorised for issue in accordance with a resolution of Directors on 28 March 2014.

STATISTICS OF SHAREHOLDINGS

As at 14 March 2014

Issued and Fully Paid-Up Capital:	S$82,305,455.29
Class of Shares:	Ordinary share
Voting Rights:	One vote per share*

* excludes non-voting treasury shares

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 999	21	1.28	2,915	0.00
1,000 - 10,000	745	45.51	4,715,573	1.37
10,001 - 1,000,000	843	51.50	60,626,885	17.64
1,000,001 AND ABOVE	28	1.71	278,295,881	80.99
TOTAL	**1,637**	**100.00**	**343,641,254**	**100.00**

SUBSTANTIAL SHAREHOLDERS

	DIRECT INTEREST	%	DEEMED INTEREST	%	TOTAL INTEREST	%
Edward Seky Soeryadjaya(2)	–	–	107,871,400	31.39	107,871,400	31.39
Mohammad Soetrisno Bachir(2)	–	–	107,871,400	31.39	107,871,400	31.39
Precious Treasure Global Inc.(2)	–	–	107,871,400	31.39	107,871,400	31.39
Tan Fuh Gih(3)	–	–	21,000,000	6.11	21,000,000	6.11
Tan Kim Seng(3)	–	–	21,000,000	6.11	21,000,000	6.11
Redmount Holdings Limited(1)	172,200	0.05	107,699,200	31.34	107,871,400	31.39
Summit Gain Consultants Limited	21,000,000	6.11	–	–	21,000,000	6.11
Luciano Group Limited	33,450,200	9.73	–	–	33,450,200	9.73
Chimsy Holdings Limited	31,325,000	9.12	–	–	31,325,000	9.12
Glenville Group Limited	20,650,000	6.01	–	–	20,650,000	6.01

NOTES:

(1) Redmont Holdings Limited ("Redmount") holds 100% of the total issued share capital of York Hill Group Limited, Luciano Group Limited, Chimsy Holdings Limited, Glenville Group Limited and Benegain Holdings Limited (collectively "Subsidiaries"). Pursuant to Section 7(4) of the Companies Act (Chapter 50) (the "Act"), Redmount is deemed interested in the shares held by its Subsidiaries. York Hill Group Limited and Benegain Holdings Limited hold 15,974,000 shares and 6,300,000 shares respectively in the Company.

(2) Both Mr Mohammad Soetrisno Bachir and Mr Edward Seky Soeryadjaya control in equal proportion of shareholdings in the capital of Precious Treasure Global Inc. ("Precious"). Precious controls 100% of the total issued share capital of Redmount. Pursuant to Section 7(4) of the Act, Mr Mohammad Soetrisno Bachir and Mr Edward Seky Soeryadjaya are deemed interested in the shares held by Redmount and its Subsidiaries.

(3) Summit Gain Consultants Limited is owned by Mr Tan Kim Seng and Mr Tan Fuh Gih in equal proportion.

STATISTICS OF SHAREHOLDINGS

As at 14 March 2014

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information available to the Company as at 14 March 2014, approximately 58.95% of the issued ordinary shares of the Company is held by the public. Accordingly the Company has complied with Rule 723 of the Listing Manual of the SGX-ST.

TREASURY SHARES

The total number of treasury shares held as at 14 March 2014 is 1,807,215 shares, approximately 0.53% of the total number of issued shares (excluding treasury shares).

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	DMG & PARTNERS SECURITIES PTE LTD	108,242,000	31.50
2	HSBC (SINGAPORE) NOMINEES PTE LTD	24,859,266	7.23
3	OCBC SECURITIES PRIVATE LIMITED	21,991,008	6.40
4	SUMMIT GAIN CONSULTANTS	21,000,000	6.11
5	MAYBANK KIM ENG SECURITIES PTE. LTD.	19,423,600	5.65
6	COTTEW TIMOTHY STEPHEN	10,220,000	2.97
7	HONG LEONG FINANCE NOMINEES PTE LTD	9,346,000	2.72
8	BANK OF SINGAPORE NOMINEES PTE. LTD.	7,129,652	2.07
9	UOB KAY HIAN PRIVATE LIMITED	5,728,208	1.67
10	CITIBANK NOMINEES SINGAPORE PTE LTD	5,157,400	1.50
11	DBS NOMINEES (PRIVATE) LIMITED	4,891,944	1.42
12	ANG SIEW POH	4,578,000	1.33
13	MAYBANK NOMINEES (SINGAPORE) PRIVATE LIMITED	4,435,000	1.29
14	CIMB SECURITIES (SINGAPORE) PTE. LTD.	4,052,200	1.18
15	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,613,400	1.05
16	TEE GOON ENG	3,000,000	0.87
17	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	2,808,180	0.82
18	LIM CHIEN CHAI (LIN JIANCAI)	2,803,000	0.82
19	RAFFLES NOMINEES (PTE) LIMITED	2,156,056	0.63
20	LOI KUAN LOONG	1,800,000	0.52
TOTAL		**267,234,914**	**77.75**

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Ramba Energy Limited (the "**Company**") will be held at 11 Bedok North Avenue 4, Richland Business Centre, #05-01 Singapore 489949 on Monday, 28 April 2014 at 10.00 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Report and the Audited Accounts of the Company and the Group for the year ended 31 December 2013 together with the Auditors' Report thereon.

   (Resolution 1)

2. To re-elect the following Directors of the Company retiring pursuant to Article 107 of the Articles of Association of the Company:

   (i) Ms Lanymarta Ganadjaja **(Resolution 2)**
   (ii) Mr Tay Ah Kong Bernard **(Resolution 3)**

   [See Explanatory Note (i)]

3. To approve the payment of Directors' fees of S$411,250 for the year ending 31 December 2014 to be paid quarterly in arrears. (2013: S$411,250).

   (Resolution 4)

4. To re-appoint Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

   (Resolution 5)

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to issue shares in the capital of the Company pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited**

   That pursuant to Section 161 of the Companies Act, Cap. 50 ("**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("shares") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors of the Company while this Resolution was in force,

   (the "**Share Issue Mandate**")

NOTICE OF ANNUAL GENERAL MEETING

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) and Instruments to be issued pursuant to this Resolution shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares and Instruments to be issued other than on a pro rata basis to existing shareholders of the Company shall not exceed 20% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);

(2) (subject to such calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares and Instruments that may be issued under sub-paragraph (1) above, the percentage of issued shares and Instruments shall be based on the number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:

   (a) new shares arising from the conversion or exercise of the Instruments or any convertible securities;

   (b) new shares arising from exercising share options or vesting of share awards outstanding and subsisting at the time of the passing of this Resolution; and

   (c) any subsequent bonus issue, consolidation or subdivision of shares;

(3) in exercising the Share Issue Mandate conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association of the Company; and

(4) unless revoked or varied by the Company in a general meeting, the Share Issue Mandate shall continue in force (i) until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (ii)] **(Resolution 6)**

7. **Authority to issue shares under the Ramba Group Share Option Scheme**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options ("**Options**") under the Ramba Group Share Option Scheme ("**RGSOS**") and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the RGSOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the RGSOS shall not exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company, but subject to the aggregate number of shares available under all schemes including share award/share plans (as defined in Resolution 8) must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)] **(Resolution 7)**

NOTICE OF ANNUAL GENERAL MEETING

8. **Authority to issue shares under the Ramba Group Performance Share Plan**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards ("**Awards**") in accordance with the provision of Ramba Group Performance Share Plan ("**RGPSP**") and to issue and/or deliver from time to time such number of shares in the capital of the Company (excluding treasury shares) as may be required to be issued and/or delivered pursuant to the RGPSP shall not exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company, but subject to the aggregate number of shares available under all schemes including share award/share plans must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)] **(Resolution 8)**

9. **Proposed Grant of Awards to Aditya Wisnuwardana Seky Soeryadjaya**

That the grant of Awards to Mr Aditya Wisnuwardana Seky Soeryadjaya ("Mr Soeryadjaya"), Chief Executive Officer and Executive Director of the Company, and an Associate of the Controlling Shareholder of the Company, of Awards in accordance with the RGPSP on the following terms:

(ii)	(a)	Date of grant of Awards	: 26 February 2014
	(b)	Number of Awards granted	: 71,000
	(c)	Market price of its securities on the date of grant (weighted average price per share)	: S$0.5779
	(d)	Date of Release for the Awards	: 26 February 2015

be and are hereby approved.

[See Explanatory Note (v)] **(Resolution 9)**

10. **Renewal of Share Purchase Mandate**
(to be voted on by taking of a poll)

That for the purposes of Sections 76C and 76E of the Companies Act, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to 10% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in Section 1.4.4 of the Company's Letter to shareholders dated 11 April 2014 (the "Letter"), in accordance with the terms set out in the Letter, and this mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (vi)] **(Resolution 10)**

By Order of the Board

Chew Kok Liang
Secretary
Singapore, 11 April 2014

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Ms Lanymarta Ganadjaja will, upon re-election as Director of the company, remain as Executive Director and will be considered non-independent.

Mr Tay Ah Kong Bernard will, upon re-election as Director of the Company, remain as Chairman of the Audit Committee and a member of the Nominating Committee and Remuneration Committee and will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

(ii) Resolution 6, if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the date of the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares, make or grant instruments convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding, in total, 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to existing shareholders of the Company.

For determining the aggregate number of shares that may be issued, the percentage of issued shares in the capital of the Company will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Resolution is passed after adjusting for new shares arising from the conversion or exercise of the Instruments or any convertible securities, the exercise of share options or the vesting of share awards outstanding or subsisting at the time when this Resolution is passed and any subsequent consolidation or subdivision of shares.

(iii) Resolution 7, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the exercise of options granted or to be granted under the RGSOS up to a number not exceeding in total (for the entire duration of the RGSOS) 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time, but subject to the aggregate number of shares available under all schemes including the Awards (as defined in Resolution 8) must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time.

(iv) Resolution 8 above, if passed, will empower the Directors of the Company, from the date of this Annual General Meeting until the next Annual General Meeting of the Company, or the date by which the next Annual General Meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue shares in the Company pursuant to the vesting of awards under the RGSOS (as defined in Resolution 7) and RGPSP, and other share-based incentive schemes of the Company up to a number not exceeding in total (for the entire duration of the RGPSP) 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time, but subject to the aggregate number of shares available under all schemes including share award/share plans must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time.

(v) The participation of and grant of options and awards to Mr Soeryadjaya under the RGSOS and RGPSP has been approved in principle by shareholders of the Company at the Extraordinary General Meeting held on 4 March 2011.

On 26 February 2014, the Board announced that the Company had granted Mr Soeryadjaya, the Chief Executive Director and an Executive Director of the Company, share awards amounting to 71,000 shares under the RGPSP ("Awards").

The proposed grant of Awards may only be effected with the specific approval of independent shareholders at a general meeting through an ordinary resolution.

Resolution 9 above, if passed, will empower the Directors to offer to Mr Soeryadjaya the Awards.

<u>Terms of Awards</u>

Under the RGPSP, the Awards granted to Mr Soeryadjaya shall be determined at the absolute discretion of the Remuneration Committee ("RC"), which shall take into account criteria such as his rank, job performance, level of responsibility, years of service and potential for future development, his contribution to the success and development of the Group and (in the case of a Performance-related Award) the extent of effort with which the Performance condition may be achieved within the Performance Period. The Awards granted to Mr Soeryadjaya are time based. The RC may in its absolute discretion preserve all or any part of any Awards and decide either to vest some or all of the Awards or to preserve all or part of any Awards until the end of the relevant Vesting Period in the event Mr Soeryadjaya's employment or that of any participant of the Awards is terminated.

NOTICE OF ANNUAL GENERAL MEETING

The following provisions apply to the vesting and lapsing of the Share Awards:

(1) the termination of the employment of a participant;
(2) the ill health, injury, disability or death of a participant;
(3) the bankruptcy of a participant;
(4) the misconduct of a participant; and
(5) a take-over, winding-up or reconstruction of the Company.

The validity periods of the Awards granted to Mr Soeryadjaya are within the prescribed limit of the RGPSP.

Rationale

Mr Soeryadjaya is the Chief Executive Officer and the Executive Director of the Company. He joined the Company on 30 June 2008. He is also the son of Mr Edward Seky Soeryadjaya, a controlling shareholder of the Company.

As the Chief Executive Officer, he is responsible for management of the organisation's overall strategy, and proactively targeting, assessing and executing its mergers and acquisitions opportunities. He supervises the Company's investment and fundraising efforts and oversees all audit functions and budget preparation.

Under Mr Soeryadjaya's stewardship, the Group's business has expanded steadily over the past 5 years. The continued contributions and participation of Mr Soeryadjaya in the general management and strategic expansion of the Group remain vital in ensuring the continued growth and expansion of the Group's business.

The Company recognises that Mr Soeryadjaya will continue to play an integral role in driving the strategic development and success of the Group. The Company therefore wishes to allow Mr Soeryadjaya to participate in the proposed grant of Options and Awards.

Mr Soeryadjaya will abstain and has undertaken to ensure that his Associates will abstain from voting on Resolution 9. In addition, Mr Soeryadjaya and his Associates will not accept appointments to act as proxies in relation to Resolution 9 unless specific instructions as to voting have been given by the shareholders.

The Directors and Employees of the Group who are Shareholders who are eligible to participate in the RGSOS and RGPSP will also abstain from voting on Resolution 9 pursuant to Rule 859 of the Listing Manual of the SGX-ST. In addition, the said Directors and Employees of the Group who are eligible to participate in the RGSOS and RGPSP shall not accept appointments to act as proxies in relation to Resolution 9 unless specific instructions as to voting have been given by the Shareholders.

(vi) Resolution 10 above, if passed, will empower the Directors of the Company from the date of this Annual General Meeting until the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, to repurchase ordinary shares of the Company by way of market purchases or off-market purchases of up to 10% of the total number of issued shares (excluding treasury shares) in the capital of the Company at the Maximum Price as defined in the Letter. The rationale for, the authority and limitation on, the sources of funds to be used for the purchase or acquisition including the amount of financing and the financial effects of the purchase or acquisition of ordinary shares by the Company pursuant to the Share Purchase Mandate on the audited consolidated financial accounts of the Group for the financial year ended 31 December 2013 are set out in greater detail in the Letter to Shareholders.

Notes:

1. A Member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint not more than two proxies to attend and vote in his/her stead. A proxy need not be a Member of the Company.

2. The instrument appointing a proxy must be deposited at the Registered Office of the Company at 29A Club Street, Singapore 069414 not less than forty-eight (48) hours before the time appointed for holding the Meeting.

IMPORTANT:

1. For investors who have used their CPF monies to buy **Ramba Energy Limited**'s shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

RAMBA ENERGY LIMITED

Company Registration No. 200301668R
(Incorporated In the Republic of Singapore)

PROXY FORM

(Please see notes overleaf before completing this Form)

I/We, ... NRIC / Passport No: ....

of ....

being a member/members of Ramba Energy Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

or failing the person, or either or both of the persons, referred to above, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us on my/our behalf at the Annual General Meeting (the "Meeting") of the Company to be held at 11 Bedok North Avenue 4, Richland Business Centre #05-01 Singapore 489949 on Monday, 28 April 2014 at 10.00 a.m and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the Resolutions proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given or in the event of any other matter arising at the Meeting and at any adjournment thereof, the proxy/proxies will vote or abstain from voting at his/her discretion. The authority herein includes the right to demand or to join in demanding a poll and to vote on a poll.

(Please indicate your vote "For" or "Against" with a tick [✔] within the box provided.)

No.	Resolutions relating to:	For	Against
1.	Directors' Report and Audited Accounts for the year ended 31 December 2013		
2.	Re-election of Ms Lanymarta Ganadjaja as Director		
3.	Re-election of Mr Tay Ah Kong Bernard as Director		
4.	Approval of Directors' fees amounting to S$411,250 for the financial year ending 31 December 2014 to be paid quarterly in arrears.		
5.	Re-appointment of Ernst & Young LLP as Auditors		
6.	Authority to issue new shares pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806 of the Listing Manual		
7.	Authority to issue shares under the Ramba Group Share Option Scheme		
8.	Authority to issue shares under the Ramba Group Performance Share Plan		
9.	Proposed Grant of Awards to Aditya Wisnuwardana Seky Soeryadjaya		
10.	Renewal of Share Purchase Mandate		

Dated this ______________________ day of ______________________ 2014

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

*Delete where inapplicable

Notes :

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the Shares held by you.
2. A member of the Company entitled to attend and vote at a meeting of the Company is entitled to appoint one or two proxies to attend and vote in his/her stead. A proxy need not be a member of the Company.
3. Where a member appoints two proxies, the appointments shall be invalid unless he/she specifies the proportion of his/her shareholding (expressed as a percentage of the whole) to be represented by each proxy. if no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named proxy or at the Company's option to treat the instrument of proxy is valid.
4. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy to the Meeting.
5. The instrument appointing a proxy or proxies must be deposited at the registered office of the Company at 29A Club Street Singapore 069414 not less than 48 hours before the time appointed for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy or proxies is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument.
7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Meeting, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

General:

The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

CORPORATE INFORMATION

REGISTERED OFFICE
29A Club Street
Singapore 069414
Tel: 62238022
Fax: 62233022

www.ramba.com

BOARD OF DIRECTORS
Tan Chong Huat
Non-Executive Chairman/
Director

Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer/
Executive Director

Daniel Zier Johannes Jol
Commercial Director/
Executive Director

Lanymarta Ganadjaja
Executive Director

Bambang Nugroho
Executive Director

Chee Teck Kwong Patrick
Independent Director

Tay Ah Kong Bernard
Independent Director

AUDIT COMMITTEE
Tay Ah Kong Bernard

Tan Chong Huat

Chee Teck Kwong Patrick

NOMINATING COMMITTEE
Chee Teck Kwong Patrick

Tan Chong Huat

Tay Ah Kong Bernard

REMUNERATION COMMITTEE
Chee Teck Kwong Patrick

Tan Chong Huat

Tay Ah Kong Bernard

COMPANY SECRETARY
Chew Kok Liang

AUDITORS
Ernst & Young LLP

PARTNER-IN-CHARGE
Vincent Toong Weng Sum
(With effect from financial year ended
31 December 2011)

SHARE REGISTRAR
Boardroom Corporate & Advisory
Services Pte Ltd

50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

PRINCIPAL BANKERS
Oversea-Chinese Banking
Corporation Limited

Standard Chartered Bank

Bank Central Asia

Ramba Energy Limited

29A Club Street
Singapore 069414
Tel : 6223 8022
Fax : 6223 3022
Website : www.ramba.com

Company Reg No. 200301668R