

Financial Statements and Related Announcement::Discrepancies between unaudited and audited accounts

Issuer & Securities

| | |
|-------------------------|---|
| Issuer/ Manager | RAMBA ENERGY LIMITED |
| Securities | RAMBA ENERGY LIMITED - SG1P35918371 - R14 |
| Stapled Security | No |

Announcement Details

| | |
|--|--|
| Announcement Title | Financial Statements and Related Announcement |
| Date & Time of Broadcast | 07-May-2018 17:56:31 |
| Status | New |
| Announcement Sub Title | Discrepancies between unaudited and audited accounts |
| Announcement Reference | SG180507OTHRDJG2 |
| Submitted By (Co./ Ind. Name) | Chew Kok Liang |
| Designation | Company Secretary |
| Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format) | Please refer to the attachment. |

Additional Details

| | |
|-----------------------------------|--|
| For Financial Period Ended | 31/12/2017 |
| Attachments | REL - Variation Announcement.pdf Total size =366K |

'Financial Statements and Related' Announcement - SG180507OTHRDJG2

Issuer & Securities

Issuer/ Manager

RAMBA ENERGY LIMITED

Securities

| Name | ISIN | Stock Code |
|----------------------|--------------|------------|
| RAMBA ENERGY LIMITED | SG1P35918371 | R14 |

Stapled Security

No

Announcement Details

Announcement Sub Title

Discrepancies between unaudited and audited accounts

Announcement Reference

SG180507OTHRDJG2

Submitted By (Co./ Ind. Name)

Chew Kok Liang

Designation

Company Secretary

Contact Details

6381 6769

Effective Date and Time of the event**Price Sensitivity**

Yes

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the attachment.

Additional Details

For Financial Period Ended

31/12/2017

Attachments

For Public Dissemination

REL - Variation Announcement.pdf

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SeckHwee Lee (RambaEgy02)

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RAMBA ENERGY LIMITED
 (Company Registration No. 200301668R)
 (Incorporated in the Republic of Singapore)

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2017 (“FY2017”)

The Board of Directors (the “**Board**”) of Ramba Energy Limited (“**Company**” and together with its subsidiaries, the “**Group**”) refers to the announcement released by the Company on the SGXNet on 26 February 2018 in relation to its unaudited full year financial statements for the FY2017 (“**Unaudited Results**”).

The Board wishes to announce and clarify the material adjustments and differences to the Unaudited Results, following the finalisation of the audit. Accordingly, there are variations between the Group’s audited financial statements for FY2017 (“**Audited Results**”) and the Unaudited Results. Details of the material variances and reasons for such variances are set out in the explanatory notes below.

1(a) Consolidated Income Statement

| | Group | | |
|--|--|---------------------------------|-------------------------------|
| | As per Audited Results | As per Unaudited Results | |
| | For the year ended 31 December 2017 S\$'000 | Variance S\$'000 | |
| Revenue | | | |
| Turnover | 59,163 | 59,163 | - |
| Other income | 4,463 | 4,463 | - |
| Total revenue | 63,626 | 63,626 | - |
| Costs and operating expenses | | | |
| Service costs and related expenses | (34,661) | (34,635) | (26) Note (a) |
| Royalties payment | (440) | (440) | - |
| Salaries and employee benefits | (26,111) | (23,803) | (2,308) Note (a) and (b) |
| Depreciation and amortisation expenses | (2,409) | (2,163) | (246) Note (c) |
| Finance costs | (1,142) | (1,142) | - |
| Other operating expenses | (8,857) | (5,258) | (3,599) Note (a), (d) and (i) |
| Loss on farm out of participating interest | - | - | - |
| Total costs and operating expenses | (73,620) | (67,441) | |
| Loss before tax for the period | (9,994) | (3,815) | |
| Income Tax | (701) | (701) | |
| Profit/(Loss) for the period | (10,695) | (4,516) | |
| Profit/(Loss) for the period attributable to: | | | |
| Owners of the Company | (8,705) | (3,532) | |
| Non-controlling interests | (1,990) | (984) | (1,006) Note (a) |
| | (10,695) | (4,516) | |
| Profit/(Loss) per share attributable to owners of the Company (cents per share) | | | |
| Basic | (1.59) | (0.65) | |
| Diluted | (1.59) | (0.65) | |

NM: not meaningful

Notes:

Adjustments were due to :

(a) Additional cost in Lemang operations including salaries and manpower cost of \$2.5 million, Oil and gas expenses which do not qualify for capitalisation of \$1.5 million, Oil and Gas properties overstatement of \$1.1 million and related NCI adjustments.

(b) Reversal of past year's provision for bonus of \$0.2 million.

(c) Amortisation of exploration and evaluation assets.

(d) Additional sundry provision of \$0.7 million.

BALANCE SHEET

| Balance Sheet as at | Group | | | Company | | | |
|---|-----------------------------|-----------------------------|----------|---------------------------------|-----------------------------|---------------|-------|
| | As per Audited Results | As per Unaudited Results | Variance | As per Audited Results | As per Unaudited Results | Variance | |
| | 31 December 2017 S\$'000 | 31 December 2017 S\$'000 | S\$'000 | 31 December 2017 S\$'000 | 31 December 2017 S\$'000 | S\$'000 | |
| Non-current assets | | | | | | | |
| Oil and gas properties | 29,425 | 30,403 | (978) | Note (a) and (e) | - | - | - |
| Property, plant and equipment | 7,254 | 7,254 | - | | 56 | 56 | - |
| Intangible assets | 1,299 | 1,299 | - | | 3 | 3 | - |
| Investment in exploration and evaluation assets | 21,403 | 21,643 | (240) | Note (c) | - | - | - |
| Investment in marketable securities | - | - | - | | - | - | - |
| Investments in subsidiaries | - | - | - | | 9,426 | 9,426 | - |
| Loans to subsidiaries | - | - | - | | 29,289 | 29,289 | - |
| Other assets | - | - | - | | - | - | - |
| Other receivables | 9,352 | 9,352 | - | | - | - | - |
| Deferred tax assets | 55 | 39 | 16 | Note (f) | - | - | - |
| Fixed deposits | - | 1,200 | (1,200) | Note (g) | - | - | - |
| | 68,788 | 71,190 | | | 38,774 | 38,774 | |
| Current Assets | | | | | | | |
| Trade receivables | 13,963 | 13,963 | - | | - | - | - |
| Other receivables | 12,661 | 12,442 | 219 | Note (h) | 62,199 | 62,199 | - |
| Prepaid operating expenses | 1,141 | 1,141 | - | | 94 | 94 | - |
| Inventories | 179 | 179 | - | | - | - | - |
| Leased assets | 2 | 2 | - | | - | - | - |
| Fixed deposits | 1,200 | - | 1,200 | Note (g) | - | - | - |
| Cash and bank balances | 10,711 | 10,711 | - | | 139 | 139 | - |
| | 39,857 | 38,437 | | | 62,432 | 62,432 | |
| Current Liabilities | | | | | | | |
| Trade payables | 18,299 | 18,299 | - | | - | - | - |
| Other payables | 18,502 | 18,195 | 307 | Note (a), (b), (h), (j) and (k) | 3,389 | 3,584 | (195) |
| Provisions | 1,564 | 512 | 1,052 | Note (j) | 39 | - | 39 |
| Finance lease liabilities | 873 | 873 | - | | 31 | 31 | - |
| Mark to market oil options | 270 | - | 270 | Note (i) | - | - | - |
| Income tax payable | 219 | 219 | - | | - | - | - |
| | 39,727 | 38,098 | | | 3,459 | 3,615 | |
| Net Current Assets | 130 | 339 | | | 58,973 | 58,817 | |

Non-Current Liabilities

| | | | | | | | |
|---|----------------------|----------------------|---------|----------|----------------------|----------------------|-----|
| Other payables | 15,472 | 12,227 | 3,245 | Note (k) | - | - | - |
| Provisions | 1,415 | 1,415 | - | | - | - | - |
| Abandonment and site restoration liabilities | 992 | 842 | 150 | Note (e) | - | - | - |
| Finance lease liabilities | 3,016 | 3,016 | - | | - | - | - |
| Loans and borrowings | 9,022 | 9,022 | - | | - | - | - |
| Deferred tax liabilities | 2,752 | 2,736 | 16 | Note (f) | - | - | - |
| | <u>32,669</u> | <u>29,258</u> | | | | | |
| Net Assets | <u>36,249</u> | <u>42,272</u> | | | <u>97,747</u> | <u>97,591</u> | |
| | | | | | | | |
| Equity attributable to the owners of the Company | | | | | | | |
| Share capital | 138,232 | 138,232 | - | | 138,232 | 138,232 | - |
| Treasury shares | (935) | (935) | - | | (935) | (935) | - |
| Other reserves | 222 | 91 | 131 | Note (l) | 4,511 | 4,511 | - |
| Accumulated losses | (96,881) | (91,708) | (5,173) | | (44,061) | (44,217) | 156 |
| | 40,638 | 45,680 | | | 97,747 | 97,591 | |
| Non-controlling Interests | <u>(4,389)</u> | <u>(3,408)</u> | (981) | Note (a) | - | - | - |
| Total Equity | <u>36,249</u> | <u>42,272</u> | | | <u>97,747</u> | <u>97,591</u> | |

Notes:

Adjustments were due to :

(e) Additional abandonment and site restoration provision made for new wells drilled in FY 2017.

(f) Reclassification of Deferred tax assets and Deferred tax liabilities.

(g) Reclassification from Fixed Deposit (non-current) to Fixed Deposit (current)

(h) Reclassification of Other receivables (current) and Other payables (current)

(i) Mark to market on oil options

(j) Reclassification from Other payables (current) to Provisions (current)

(k) Reclassification from Other payables (current) to Other payables (non-current).

(l) Foreign currency translation arising.

(m) Reclassification from Other payables (current) to Provisions at Company Level of \$0.04 million.

STATEMENT OF COMPREHENSIVE INCOME

| Group | | |
|-------------------------------------|--------------------------|----------|
| As per Audited Results | As per Unaudited Results | Variance |
| For the year ended 31 December 2017 | | |
| S\$'000 | | S\$'000 |

| | | | |
|---|------------------------|-----------------------|--------------|
| Profit/(Loss), net of tax for the period | (10,695) | (4,516) | (6,179) |
| Other comprehensive income | | | |
| Item that may be reclassified subsequently to profit or loss: | | | |
| Foreign currency translation | (3,537) | (3,693) | 156 Note (l) |
| Item that will not be reclassified subsequently to profit or loss: | | | |
| Re-measurement of defined benefit obligation | (54) | (54) | - |
| Total comprehensive income/(loss) for the period | <u>(14,286)</u> | <u>(8,263)</u> | |

Total comprehensive income/(loss) attributable to:

| | | | |
|-----------------------------|-----------------|----------------|---------|
| - Owners of the Company | (12,551) | (7,509) | (5,042) |
| - Non-controlling interests | (1,735) | (754) | (981) |
| | <u>(14,286)</u> | <u>(8,263)</u> | |

BY ORDER OF THE BOARD OF
RAMBA ENERGY LIMITED

Tan Chong Huat
Non-Executive Chairman
7 May 2018