Ramba
ENERGY

RESILIENCE

RAMBA ENERGY LIMITED | ANNUAL REPORT 2015

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 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. RichLand employs over 900 employees and has a fleet of over 400 trucks and trailers.

annual report **2015**

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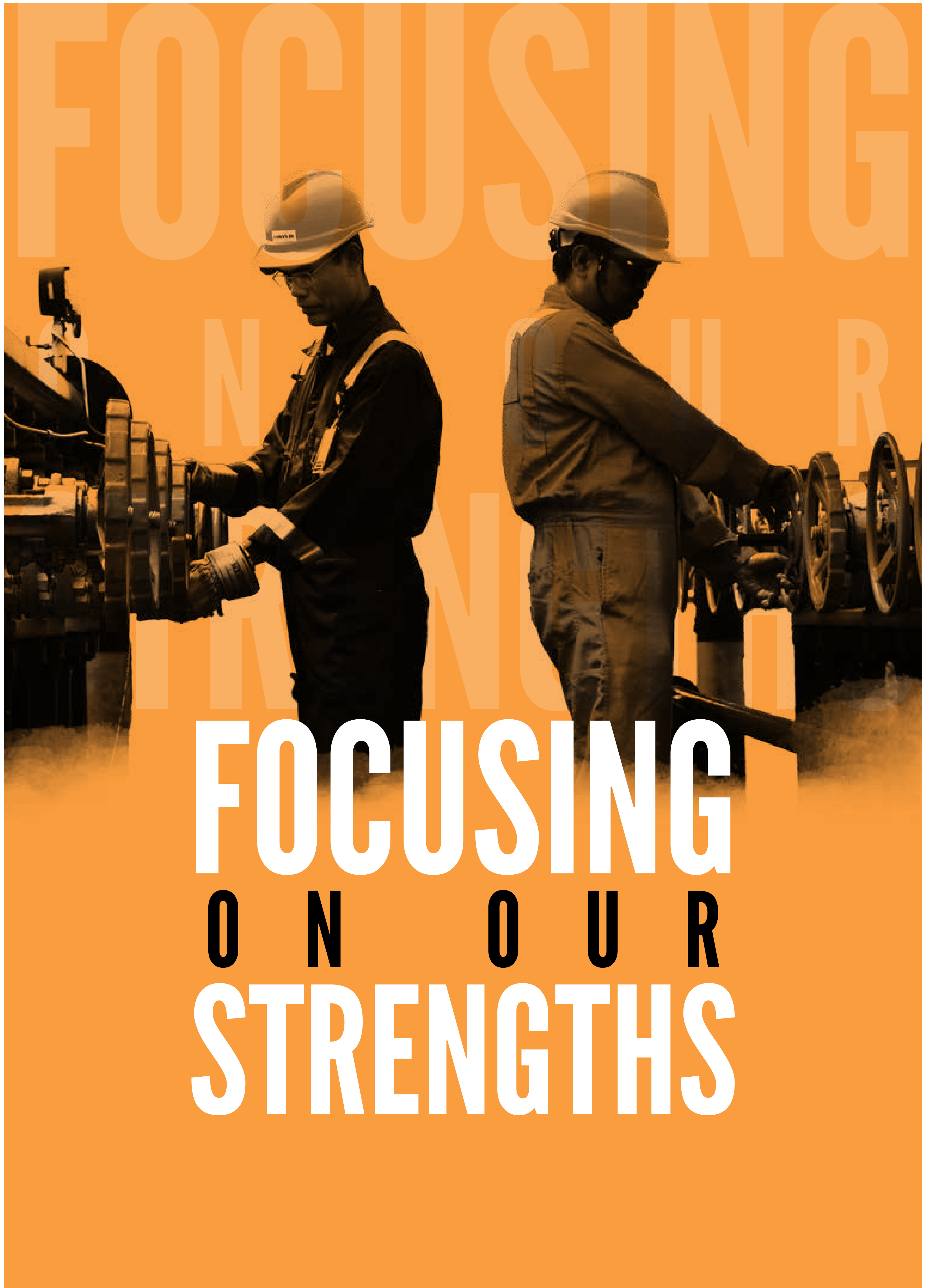


CHAIRMAN'S STATEMENT

Forging Resilience

"We remain confident about the prospects of growth in Indonesia's energy sector and to this end, have aligned our exploration and production work with Indonesia's goal of increasing national production."

Mr Tan Chong Huat
Non-Executive Chairman

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 2015.

FORGING RESILIENCE

The title of this year's annual report is "Forging Resilience" - an indication of Ramba's overarching strategy to continue driving growth despite this uncertain economic climate.

In the past year, economies and industries have been challenged by the persistent drop in commodity prices and the volatility in financial and currency markets. Despite such economic instability, we remain steadfast in our strategy of unlocking value from Indonesia's vast natural resources and remain committed to furthering our oil and gas exploration work.

Over the years, we have strengthened our core business units in both oil and gas exploration and production and logistics services. We have established an accountable, transparent company with a strong code of corporate governance. And we have worked diligently to create shareholder value through our Indonesian asset portfolio. All these developments have helped us remain resilient to the headwinds in the economy, and opened up new opportunities for the Group.

SUCCESS AMIDST CHALLENGES

At a time when many in the oil and gas sector are cutting back on their capital expenditures or putting new projects on hold, our Group has moved ahead with plans for production in our Lemang block - Ramba's largest asset by acreage and resource potential. Located in Sumatra, Indonesia, the Lemang block has been the site of three commercial oil and gas discoveries by the Group since 2012.

CHAIRMAN'S STATEMENT

As we worked towards realizing our vision for the Lemang block, we have also sought out collaborations with like-minded partners. In October 2015, with an approved Plan of Development for the Akatara Field already in place, Ramba announced a partnership with KKR-backed Mandala Energy Limited ("Mandala") that will see both companies working together to maximise the asset potential of the Lemang block.

Following regulatory approval of Mandala's 35% participating interest in Lemang, Ramba will focus on leveraging returns from the Lemang block in collaboration with Mandala.

TAPPING THE INDONESIA POTENTIAL

At Ramba, we understand the remarkable potential Indonesia holds. With its vast natural resources, a growing middle and consumer class, and an increasingly liberalized economy, Indonesia proved resilient to the adverse macroeconomic trends that gripped the world in 2015.

Recent developments such as Indonesia's push to open up the economy to more investments by easing foreign investment restrictions, and the country's ambitious plans to join the Trans-Pacific Partnership further underscore Indonesia's potential as a leading emerging market.

We remain confident about the prospects of growth in Indonesia's energy sector and to this end, have aligned our exploration and production work with Indonesia's goal of increasing national production.

FUTURE AMBITIONS

As we look to 2016 and beyond, our goal will be to continue creating value for shareholders as we navigate our way through these volatile times. We remain committed to strengthening our oil and gas exploration and production programme and optimizing our logistics business.

Our immediate challenge will be to build upon our recent successes while managing our limited resources responsibly and sustainably. Despite oil and gas exploration being a capital-intensive endeavour, we believe we have the capability to partner with a credible and well-resourced partner such as KKR-backed Mandala, to bring the Group to our next phase of development. We are pleased with the Group's progress in FY2015 and look ahead with cautious optimism about our prospects.

GRATITUDE

Lastly, we would like to thank all our shareholders and stakeholders who have helped Ramba on the exciting journey it has had thus far.

To our Board of Directors, key management and senior advisors, my sincere gratitude for your ongoing and invaluable guidance. Each member has contributed a specific set of skills, experience and values to his or her role in taking the Group forward.

As Ramba embarks on the journey ahead, we remain highly optimistic for the future and look forward to another year of successes for the Group.

Sincerely,

Mr Tan Chong Huat
Non-Executive Chairman

CEO'S MESSAGE

Creating Value

"Moving ahead, the Group will continue in our efforts to create value for our shareholders through our oil and gas assets in the Lemang and West Jambi blocks, whether through production or further exploration work in the coming years."

Mr Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer and Executive Director

Dear Shareholders,

2015 marked a year of interesting opportunity for Ramba.

In spite of an uncertain global economic outlook, we have been able to grow and develop, strengthened by the technical and operational capacities we have built up since our inception in 2008 and the human capital we have invested in.

These capabilities have helped us weather the global volatility we face today and have helped the Group emerge stronger than before.

OIL AND GAS

In following the Group's strategy of exploring, developing and producing oil and gas from lower-risk, lower-cost assets in Western Indonesia, our oil and gas business reached a key milestone in FY2015.

In October 2015, the Group announced that Mandala Energy Limited ("Mandala") will be farming in a 35% participating interest in the Lemang Production Sharing Contract from our subsidiary PT Hexindo Gemilang Jaya.

This comes after the Group received approval for our first Plan of Development for the Akatara Field in our Lemang block in August 2015.

Our partnership with Mandala, formally approved in February 2016, provides Ramba with an opportunity to realize value from its investment in Lemang, and bring first production online in the near term. Despite the current oil price environment, Lemang is favourably positioned for development given its relatively low operating and capital cost structure. While many in the oil and gas sector have been challenged by low oil prices, Ramba sees the lower cost environment as an opportunity to lower our development costs further, and tap into the significant upside potential of our Lemang block.

CEO'S MESSAGE

Beyond the Lemang block, Ramba continued our exploration drilling programme at the West Jambi block. This is in line with the Group's strategy of exploring and developing all oil and gas assets in our portfolio for potentially greater production. In May 2015, Ramba entered into an investment agreement with GSS Energy Sumatra Limited for the drilling of wells in the West Jambi block - a development which reflects the industry's confidence in the direction Ramba has been taking.

Further affirming investors' confidence in our strategy, Ramba raised S$17.9 million through a private share placement to Indonesian tycoon and philanthropist Dato Sri Tahir in May 2015. The Group have utilised approximately 61% of the proceeds raised for activities related to our oil and gas work programme.

Moving ahead, the Group will continue in our efforts to create value for our shareholders through our oil and gas assets in the Lemang and West Jambi blocks, whether through production or further exploration work in the coming years.

LOGISTICS

Ramba's logistics business unit remains a leader in Singapore and the Southeast Asian region. From its roots as a Singapore-centric logistics services provider, RichLand has over the years expanded its regional presence, establishing offices in Indonesia, and becoming more diversified in the logistics solutions offered to clients.

Notably, we broke ground in the Indonesian market, having clinched contracts for a major marine spread project in Indonesia's Natuna Sea and an oil barging contract for an oil and gas exploration and production company in Indonesia in 2014. We conducted an offshore project in Madura for COOEC on the B.D. HUSKY offshore field.

With capabilities in areas as diverse as warehousing, distribution, airport terminal handling, full container haulage, marine logistics and project logistics, we are poised to become one of the leading regional logistics solutions provider.

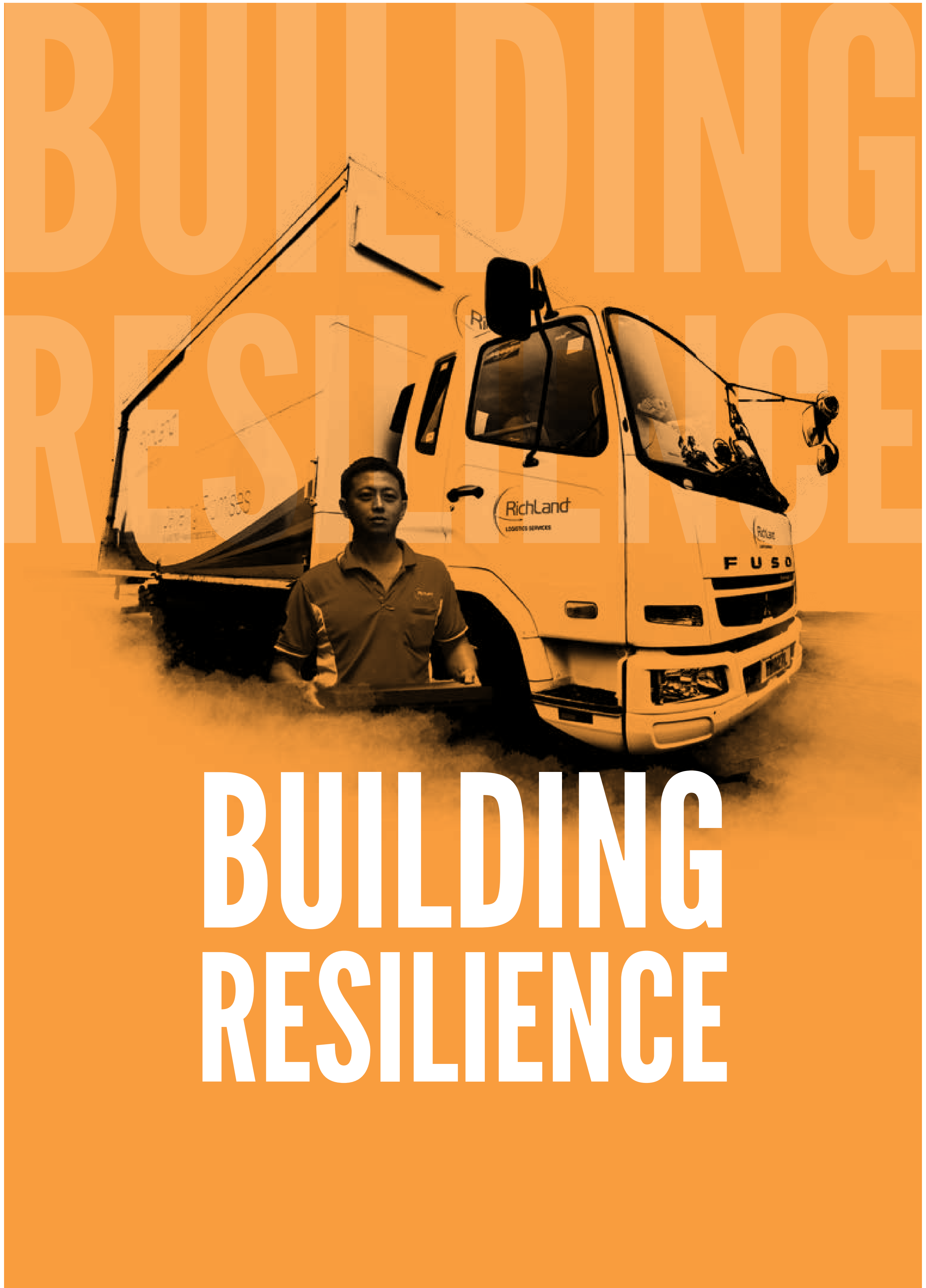
FORGING RESILIENCE

The past year has been a year of volatility and uncertainty for the oil and gas sector, but guided by sound strategy and good governance, 2015 was also a year of opportunities for Ramba.

For 2016, the Group is well-positioned to tap on new growth prospects in Indonesia and the region, and we are excited for what opportunities the year ahead will bring for our Group and our shareholders.

Sincerely,

Mr Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer and Executive Director



BOARD OF DIRECTORS

MR TAN CHONG HUAT
Non-Executive Chairman

Mr Tan Chong Huat is the Senior Partner and one of the founding members of RHTLaw Taylor Wessing LLP (the "**Firm**"). Besides being Managing Partner of the Firm, he also heads the Firm's Banking and Finance Practice, and Capital Markets Practice. He also serves as a member of the International Management Board of Taylor Wessing.

His experience and track record, set out below, as a leading finance and corporate lawyer, successful entrepreneur and investor, reputable corporate leader and public service champion, and dedicated law professor coupled with his strong practical and academic grounding throughout his career have made Chong Huat the trusted go-to expert for complex financing (corporate finance and project finance) transactions, deals structuring, funding and matching, corporate governance and board matters, and reputational management matters for corporate leaders and major corporates in the region and internationally.

Chong Huat has extensive experience in corporate, banking and project finance law in Singapore and the region, and acted in numerous significant corporate transactions in the areas of IPOs, RTOs, MBOs, restructuring, M&As, and financing of major real estate and infrastructure. He has been named a leading practitioner in many reputable professional publications, with a recent recognition as a Client Choice 2016 winner under the category "General Corporate", by IFLR1000 as a "Leading Lawyer" and by Legal 500 Asia Pacific as a "Leading Individual" for Corporate and Mergers & Acquisitions.

Chong Huat is a Fellow with the Singapore Institute of Directors and sits on the boards as an independent director of Ascendas Hospitality Fund Management Pte Ltd, Ascendas Hospitality Trust Management Pte Ltd, SIIC Environment Holdings Ltd and as a Non-Executive Chairman of Ramba Energy Limited and P99 Holdings Limited. He also co-founded RHT group of companies which is the leading professional services group in Asia. Over the years he has successfully invested in start-ups, SMEs and listed companies. Chong Huat is active in public service and charity work. He is currently a council member of the Football Association of Singapore, Singapore Red Cross and he is also council member and Chairman of Road Safety Park 21 Committee of the Singapore Road Safety Council. He is also a member of the International Affairs Committee of Singapore Chinese Chamber of Commerce & Industry. He sits as a Lay Person on the Institute of Singapore Chartered Accountants' Investigation and Disciplinary Panel. Chong Huat is the chairman of the RHT Rajan Menon Foundation. He has also established a National University of Singapore Grant in favour of the Law Faculty under the name of his deceased father. The Financial Planning Association of Singapore has conferred on Chong Huat an honorary membership. He was until recently a council member of the Corporate Governance Council set up by the Monetary Authority of Singapore and a board member of World Wide Fund for Nature (WWF) Singapore.

Despite his active practice, management duties and public service, Chong Huat continues to serve as an adjunct faculty and lecture on a regular basis. He was Associate Professor at the Law Faculty, National University of Singapore (AY 2007- 2013), Business School, National University of Singapore (AY 2008/2009) and Nanyang Business School, Nanyang Technological University (AY 2008-2012). Besides authoring two leading literature on PRC Investment laws, he has co-authored titles on Corporate Governance of Listed Companies in Singapore and on Law and Practice of Corporate Finance in Singapore. He is also a co-editor for a title on Corporate Governance: The Good, The Bad and The Ugly. Chong Huat also contributes articles and opinion pieces to leading journals and newspapers regularly.

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 organisation'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 organisation'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 at 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 oil and 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 RAYMOND BUDHIN
Non-Executive Director

Mr Raymond Budhin was appointed as a Non-Executive Director in 2015. He is currently Vice President Director of PT Chandra Asri Petrochemical Tbk. Since 2011, he has been serving as Director of Grace Shine Pte. Ltd. as well.

Mr Budhin brings with him over 10 years of experience in the tourism, healthcare and petrochemicals industry. Prior to his appointment at Ramba, he was President Director at PT Nirmala Kencana Mas and PT Sejahteraraya Anugrahjaya Tbk. His previous appointments include General Marketing Manager at PT Chandra Asri and Tourism Industry Director at PT Sona Topas.

Mr Budhin holds a Bachelor's Degree in Social Sciences from University of Southern California.

Mr Budhin left Ramba on 30 March 2016.

BOARD OF DIRECTORS

MR TAY AH KONG BERNARD
Independent Director

Mr Bernard Tay Ah Kong is currently the Non-Executive Chairman of Crowe Horwath First Trust LLP, which is a Singapore Chartered 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.

He is the President of the Automobile Association of Singapore and Chairman of Singapore Road Safety Council. Mr Tay is the Region 2 (Asia Pacific) Vice-President of the Federation Internationale de l'Automobile (FIA) and member of the World Council for Automobile & Tourism; concurrently he is also a member of the FIA Audit Committee. Currently, he is the Vice-President of the Singapore Productivity Association and a Member of Home Affairs - Community Involvement Steering Committee. He was appointed, Senior Advisor to the Government of Huzhou City, Zhenjiang 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 Pingat Bakti Masyarakat (Public Service Medal) by the President of 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.

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, Tat Seng Packaging Group Ltd and Hai Leck Holdings Limited.

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 the Republic of Singapore.

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

SENIOR MANAGEMENT

MR LEE SECK HWEE
Chief Financial Officer

Mr Lee Seck Hwee is the Chief Financial Officer for Ramba, having joined 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 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.

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 Logistics. He joined the Group in 2010.

Mr Moran brings over 25 years of experience, expertise and leadership to the organisation, 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 19 years based in Singapore and Indonesia.

TECHNICAL MANAGEMENT

MR CHRIS WHITMEE
Senior Advisor

An industry veteran with over 40 years of oil and gas experience, Mr Chris Whitmee provided counsel to Ramba for technical operations related to the Group's assets. 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 a degree in Oil Technology from the Royal School of Mines, Imperial College, University of London.

Mr Whitmee left Ramba in August 2015.

MR BAMBANG SATYA MUTRI
Head of Exploration

Mr Bambang Satya Murti is the Head of Exploration for the Group. 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 maximise the productivity of seven brown fields in South Sumatra.

Mr Murti is an expert in conducting and leading integrated subsurface interpretation teams, block acquisition and evaluation. Additionally, he has published many papers and is an active member of the Indonesia Petroleum Association (IPA), and the Indonesia Geologist Association (IGA).

Mr Murti graduated with a degree in Geology from Gadjah Mada University in Jakarta, Indonesia. He was appointed a Qualified Person by the Group in 2014.

TECHNICAL MANAGEMENT

MR SUTIKNO YUDI SUHARJO
General Manager

Mr Sutikno Yudi Suharjo was appointed General Manager for Ramba in early 2012. 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.

OPERATIONS REVIEW

Long-term Potential of Oil & Gas assets in Indonesia

"For the year, RichLand generated S$60.4 million in revenue, representing approximately 90% of Group revenue for FY2015."

GREATER CONTRIBUTION FROM LOGISTICS OPERATIONS

Group total revenue for the year stood at S$66.8 million, a decrease of 13.3% from the previous year. This was mainly due to a decline in oil and gas production, the cessation of its chemical logistics business, and the completion of an ad-hoc marine project in May 2014.

The Group's logistics business unit, RichLand, continues to be a major contributor to the Group's revenue for FY2015, an affirmation of the Group's strategy of undertaking more diversified logistics operations and building up capabilities in oil and gas services, project logistics, and marine logistics.

For the year, RichLand generated S$60.4 million in revenue, representing approximately 90% of Group revenue for FY2015.

OPERATING COSTS AND EXPENSES

As oil and gas exploration is a high-risk, high-cost business with intensive capital expenditure often required, the Group recorded a loss attributable to shareholders of S$28.2 million in FY2015.

The loss was the result of the Group's operating expenses increasing to S$97.2 million for the year, mainly due to a higher other operating expense of S$20 million which stemmed from a one-time impairment charge on the Jatirarangon block of S$14.8 million, and a S$3.6 million allowance on related doubtful receivables. These were however offset against lower service costs and related costs of S$9.1 million, the result of lower diesel costs, and costs related to the Group's discontinued chemical logistics business and the completion of an ad-hoc marine project in 2014. Additionally, costs for salaries and employee benefits were further reduced by S$1.4 million due to the Group streamlining its workforce.

OPERATIONS REVIEW

BALANCE SHEET

Non-current assets decreased by S$7.9 million to S$80.6 million mainly due to a one-time impairment charge on the Jatirarangon block offset against new additions in Exploration & Evaluation assets in West Jambi.

Following an increase in joint venture partner receivables in Lemang PSC and an increase in cash and cash equivalents by S$7.7 million from placement proceeds and short term loans, the Group's current assets increased by S$8.5 million to S$34.8 million.

Current liabilities were reduced by S$0.4 million to S$34.3 million mainly from the repayment of loans and borrowings offset against an advance received from a potential investor in the West Jambi block.

SEGMENT PERFORMANCE

RichLand posted a higher profit of S$3.1 million in FY2015, an increase of S$1.7 million from FY2014, due to tighter cost control measures implemented for the business. Likewise, the Group's rental segment reported a higher profit of S$1.1 million for the year, mainly due to lower provision for legal fees and reduction in costs for legal proceedings accrued in the previous year.

TOWARDS SUSTAINABLE DEVELOPMENT

Ramba recognises the importance of sustainable development, taking into account the need to balance employee, community and environmental considerations as part of our business activities.

To this end, the Group will be setting up a committee to look into the various aspects of sustainable development: employee development, occupational health and safety, and community engagement. The Committee will be headed by members of the Board with the support of senior management of the Group and will focus on expanding Ramba's efforts in sustainable development.

In 2015, Ramba was one of the proud sponsors of the inaugural RHT Rajan Menon Foundation Charity Golf tournament. The event raised a total of S$114,500 for The Straits Times School Pocket Money Fund (SPMF) and the World Wide Fund for Nature, Singapore (WWFS). Ramba remains committed to charitable endeavours and bringing benefits to the communities in which we operate.

OPERATIONS REVIEW

OUTLOOK

The Group believes in the long-term potential of its oil and gas assets in Indonesia. As the Indonesian economy expands, the Group foresees the Government of Indonesia implementing measures to increase oil and gas production and build up provable reserves to meet the country's growing energy needs.

Oil & gas assets constitute 70.6% of the total group asset. With the expected production from Lemang block in FY2016, we will see more MOG assets in the group balance sheet.

In line with such goals, the Group is continuing its exploration and production work programmes and focusing on yielding returns from its oil and gas assets for the benefit of all shareholders. The Group remains confident of the journey ahead and will continue to strengthen both its principal business units.

OIL & GAS REVIEW

The Oil & Gas Sector Today

OVERVIEW

INDONESIA: A UNIQUE OPPORTUNITY FOR ENERGY INVESTMENT

Despite challenging times ahead for the energy markets, Indonesia remains one of the most promising oil and gas markets in the region, fuelled by steady economic growth and an increasing domestic demand for energy.

The country holds energy reserves of approximately 3.7 billion barrels of oil and 101.5 trillion cubic feet of natural gas*, making it one of the more favourable countries in Southeast Asia for oil and gas exploration and production.

As energy access becomes a key element of Indonesia's growth strategy, Ramba understands the unique opportunity to exploit oil and gas from the Group's Indonesian asset portfolio and contribute to Indonesia's future energy needs. With the abundance of opportunities in the Indonesian market, the Group remains committed to the country for years to come.

THE WAY FORWARD

Ramba's strategy is to explore, develop and exploit onshore assets located in proven geological basins in Western Indonesia with proximity to necessary infrastructure and domestic energy markets.

The Group is already producing oil and gas from the Jatirarangon block, which has been in 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 Group's investment in the Lemang block – its largest asset and the site of three oil and gas discoveries – is also yielding results. Having secured a Plan of Development ("POD") for the Akatara Field in 2015, the Group is preparing the Lemang block for commercial production this coming year.

Ramba has also made substantial progress in geophysical and geological work in the West Jambi block, the most recent addition to Ramba's asset portfolio. The Group has since started drilling two exploration wells there.

* BP plc, "BP Statistical Review of World Energy" 2015.

OIL & GAS REVIEW

RESERVES

The estimated gross and working interest proved, probable, and reserves of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of 31 December 2015, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Reserves			Working-Interest Reserves		
	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)
Proved	4,013	33	12,202	2,047	17	6,486
Probable	11,366	182	46,204	5,797	93	23,589
Possible	34,812	83	56,137	17,754	42	28,797

Notes:

1. Working-interest reserves should not be construed to be equal to or represent net entitlement reserves from interests owned by Ramba.
2. Probable and possible reserves have not been risk adjusted to make them comparable to proved reserves.
3. Ramba has represented that in October 2015, it entered into negotiations to divest a portion of its interests in the Lemang field that would reduce its share from a 51 percent to a 31 percent working interest. As of 31 December 2015, the transaction had not closed.

CONTINGENT RESOURCES

The estimated gross and working interest 1C, 2C and 3C contingent resources of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of 31 December 2015, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Contingent Resources			Working-Interest Contingent Resources		
	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)
1C	666	137	16,528	666	137	16,528
2C	1,849	247	29,804	1,849	247	29,804
3C	23,057	808	97,480	23,057	808	97,480

Notes:

1. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.
2. There is no certainty that it will be commercially viable to produce any portion of the resources evaluated.
3. All contingent resources have an economic status of Submarginal.

OIL & GAS REVIEW

JATIRARANGON BLOCK, WEST JAVA, INDONESIA

OVERVIEW

The Jatirarangon block – Ramba's current sole producing asset – is located in West Java, Indonesia, 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.

The Jatirarangon block has been in commercial production since 2004. Ramba obtained a 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.

Since coming into Ramba's portfolio, the Jatirarangon block has been one of the main 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 (Pesero) ("PGN").

Since 2011, there has been a 3% escalation in gas sale price per annum. In October 2014, Ramba successfully negotiated another 43% increase in the sale price of gas to PGN to US$6.55/mmbtu.

The Group looks forward to continue supplying gas to PGN in the foreseeable future to contribute to Indonesia's growing domestic energy demand.

LONG-TERM REVENUE FROM GAS PRODUCTION

Ramba recorded its first oil and gas revenue of S$5.2 million in 2010. In 2011, Ramba successfully doubled gas production from the Western closure of the block, resulting in gas sales revenue of $8.3 million in FY 2011, a 61% increase from 2010.

The revenue from the on-going production from the Jatirarangon block has been beneficial, as the Group's 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. Hydrocarbons were confirmed in well log analysis, and extended well testing will be conducted in the future.

LOOKING AHEAD

Despite a one-time impairment charge on the Jatirarangon block in 2015, the Group expects to maintain production from the Jatirarangon block in 2016 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 of the Group's technical capabilities in commercialising oil and gas resources.

OIL & GAS REVIEW

LEMANG BLOCK, SUMATRA, INDONESIA

OVERVIEW

The Lemang block is located in Jambi and Riau provinces, Sumatra, Indonesia, and is the current focus of Ramba's 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 to-date with many prospects and leads.

In 2009, Ramba acquired a 41% participating interest and operating rights to the block for a purchase price of US$7 million. The Group later increased its interest in the asset, obtaining 51% participating interest in December 2011.

The Lemang PSC agreement expires in 2037.

INDEPENDENT VALUATION OF THE BLOCK

In April 2014, Ramba announced the results of an independent evaluation of the Lemang block by international petroleum consultancy RISC Operations Pty Ltd, which estimated potential peak production of 11,000 barrels of oil per day ("bopd") and 26 million standard cubic feet of natural gas per day ("mmscfd").

EXPLORATION SUCCESS

Since 2011, the Group's primary focus has been to explore the Lemang block's Akatara and Selong oil and gas bearing structures. The Group has since made three major hydrocarbon discoveries at these structures.

In December 2012, the Group announced its first discovery at the Selong-1 exploration well, successfully encountering 222 feet of gross pay during exploration drilling. In May 2013, the Group announced its second discovery at the block's Akatara-1 exploration well, encountering 274 feet of gross pay.

Most recently, in February 2014, the Group announced its third discovery at the block, after successfully completing drilling at the Akatara-2 appraisal well.

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

PREPARATION FOR FUTURE PRODUCTION

Following the exploration success at the Akatara and Selong structures, the Group turned its focus towards getting the necessary permits and approvals for the Lemang block to commence production. The Group received approval of its first POD for the Akatara field in August 2015. Buoyed by this development, the Group also entered into a partnership with Mandala Energy Limited to bring commercial production online for the Lemang block.

The Group will focus its human and capital resources in Lemang block to start production in FY2016.

OIL & GAS REVIEW

WEST JAMBI BLOCK, SUMATRA, INDONESIA

OVERVIEW

The West Jambi block – located in Sumatra, Indonesia – 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, one of the most favourable areas for oil and gas exploration in Indonesia due to its strategic 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 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 is currently completing the acquisition of 2D seismic.

FUTURE PLANS

With plans to further its exploration work program for the block, the Group entered into an investment agreement with GSS Energy Sumatra Limited on the drilling of wells in the West Jambi block in May 2015.

LOGISTICS OVERVIEW

A leading logistics company

OVERVIEW

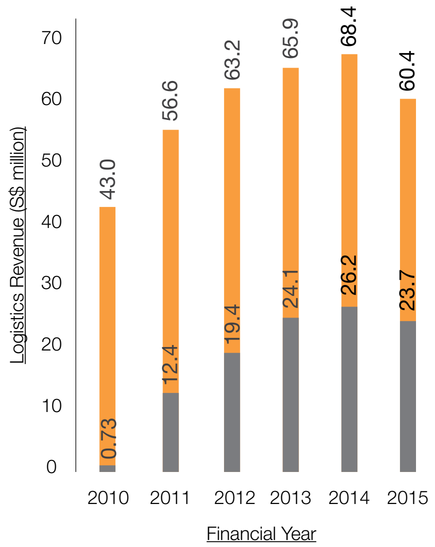
The Group's wholly owned subsidiary, RichLand, continues to increase its service offerings in Singapore and the region. Already a successful logistics enterprise in Singapore with over 20 years of experience in the market, RichLand has made a concerted effort to expand overseas in recent years, focusing on Indonesia as an immediate market for growth while retaining its position as an established logistics solutions provider in Singapore.

RichLand presently employs more than 900 staff throughout the region and operates a transport fleet of more than 400 trucks and trailers. Furthermore, RichLand manages more than 1,250,000 square feet of warehousing capacity, delivering more than 2.1 million tonnes per year.

2015: A PROFITABLE YEAR

RichLand booked a revenue of S$60.4 million in FY2015 largely due to the closure of its chemical ISO tank business and an adhoc marine project which was completed in May 2014. Despite the drop in revenue from the previous year, RichLand posted a higher profit of S$1.7 million due to tighter cost control measures for the business.

REGIONAL GROWTH: INDONESIA VS. LOGISTICS SEGMENT



LONG-TERM SUCCESS IN SINGAPORE

RichLand's Singapore operations remained sound throughout the past year in spite of adverse trends within the logistics industry.

RichLand has continued to win business from major multinational companies, underscoring RichLand's longstanding reputation in the market as a leading logistics company for warehousing and distribution, airport terminal handling and full container haulage in the Singapore market.

In 2015, RichLand renewed two of its major customer contracts for three years and delivered margin improvement as part of its efficiency drive.

Moving forward, RichLand will continue to prioritise customer retention, growth, margin improvement and maintaining its position as a leader in the Singapore market.

CONTINUED GROWTH IN INDONESIA

Since refocusing on the Indonesian market in 2010, RichLand has continued to increase its presence in the country. RichLand is now a diversified logistics provider in Indonesia, as the company now has capabilities in warehousing, transport, marine logistics and project logistics.

The past year saw RichLand renew its fourth year of the Group's multi-year warehousing and distribution contract with PT Chandra Asri Petrochemical Tbk ("CAP"), a leading Indonesian petrochemical company. The contract is the largest in the Group and sees RichLand provide warehousing and distribution support to CAP at four sites throughout Java.

LOGISTICS OVERVIEW

RichLand now employs over 400 staff in Indonesia and manages five domestic facilities in Java with over 700,000 square feet of warehouse capacity. Additionally, RichLand delivers over 1 million tonnes of cargo throughout the archipelago, amounting to approximately 4,000 truckloads per month

PROJECT LOGISTICS

RichLand is continuing to provide highly complex and sophisticated project logistics support through the Group's project logistics business unit. In recent years, RichLand has prioritised taking on projects specific to the oil and gas sector, as oil and gas logistics operations are integral in meeting the region's energy needs.

As one of the core economic sectors in the Southeast Asia region, RichLand understands the importance of establishing itself as a player within the oil and gas sector. Despite the current soft market, RichLand has successfully completed three marine spread projects in the last three years – one for a major oil and gas services company and two for China Offshore Oil Engineering Co. The Group is committed to further developing its capabilities within the oil and gas sector and undertaking more challenging operations in this space.

As RichLand has made greater efforts to increase its service offerings to partners within the oil and gas industry, these new ad hoc contracts mark new opportunities for the Group in this sector.

CHEMICAL LOGISTICS

RichLand signed an exclusive agency agreement with Stolt Tank Containers ("STC") to handle all import and export ISO tanks for Indonesia on behalf of STC. The agreement is for an initial three years with an option to extend.

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.

FUTURE PLANS

Looking ahead, RichLand will continue to develop new business within the 3PL contract logistics industry in Singapore and in Indonesia, and continue to focus on value-add project logistics opportunities.

As RichLand further increases its presence in Indonesia, it will work to achieve sustainability within all logistics operations in the market. Additionally, RichLand will work to drive operational efficiency and increase the company's margins to further strengthen its bottom line for the benefit of shareholders.

CORPORATE INFORMATION

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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
(resigned on 30 April 2015)
Executive Director

Chee Teck Kwong Patrick
Independent Director

Tay Ah Kong Bernard
Independent Director

Raymond Budhin
(appointed on 22 May 2015, resigned on 30 March 2016)
Non-Executive 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
RHT Corporate Advisory Pte. Ltd.
Six Battery Road
#10-01
Singapore 049909

PRINCIPAL BANKERS
Oversea-Chinese Banking Corporation Limited
Standard Chartered Bank
Bank Negara Indonesia
PT Bank Panin Tbk

CORPORATE GOVERNANCE REPORT

The Board of Directors (the "**Board**") and Management of Ramba Energy Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**"), are committed to set 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 commitment and continuous support of the Code of Corporate Governance 2012 issued on 2 May 2012 (the "**Code**") can be seen from the efforts of the Board and Management to promote and to maintain values which emphasize transparency, accountability, integrity and proper conduct at all times in the business operations and dealings of the Company so as to create value for its stakeholders and safeguard the Company's assets.

This report describes the practices the Company has undertaken with respect to each of the principles and guidelines and the extent of its compliance with the Code and should be read as a whole, instead of being read separately under the different principles of the Code.

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 Management to achieve this objective and Management remains accountable to the Board.

The Company is headed by an effective Board comprising seven directors of whom three are executive directors, two are non-executive and non-independent directors, and two are independent directors. Their combined wealth and diversity of skills, experience, gender and knowledge of the Company enables them to contribute effectively to the strategic growth and governance of the Group. The Board assumes responsibility for stewardship of the Group and is primarily responsible for the protection and enhancement of long-term value and returns for shareholders. It supervises the management of the business and affairs of the Group, provides corporate direction, monitors managerial performance and reviews financial results of the Group.

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

- Setting the Group's values and standards, providing entrepreneurial leadership and setting the overall strategy and direction of the Group, taking into account the sustainability of the Group as part of its strategic formulation;
- Reviewing and overseeing the management of the Group's business affairs, financial controls, performances and ensuring that the necessary financial and human resources are in place for the Company to meet its objectives;
- Approving the Group's strategic plans, key business initiatives, acquisition and disposal of assets, significant investments and funding decisions and major corporate policies;
- Establishing a framework of prudent and effective controls and overseeing the processes of risk management, financial reporting and compliance, evaluating the adequacy of internal controls and safeguarding the shareholders' interests and the Group's assets;
- Approving the release of the Group's quarterly and full-year financial results, related party transactions of material nature and submission of the relevant checklists to the Singapore Exchange Securities Trading Limited ("**SGX-ST**");
- Identifying the key stakeholder groups and recognising that their perceptions affect the Company's reputation;
- Appointing directors and key management staff, including the review of their performances and remuneration packages;
- Assuming the responsibilities for corporate governance, such as reviewing and endorsing corporate policies in keeping with good business practice; and
- Setting the Company's values and standards (including ethical standards), and ensuring that obligations to shareholders and other stakeholders are understood and met.

CORPORATE GOVERNANCE REPORT

All directors have objectively discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company.

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 Remuneration Committee ("**RC**"), responsible for making recommendations to the Board. These Board committees operate within clearly defined terms of reference and play an important role in ensuring good corporate governance in the Company and within the Group. The terms of reference are reviewed by the Board committees on a regular basis to ensure their continued relevance.

The Board meets regularly throughout the year. The schedule of all the Board and Board committees meetings for the calendar year is usually given to all the directors well in advance. During the financial year ended 31 December 2015 ("**FY2015**"), the Board held a total of nine 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.

In line with the recent changes of the Companies Act, all reference to Memorandum and Articles of Association and Articles will be superseded with Constitution and Regulations. The Company's Constitution (the "**Constitution**") provides for meetings of the Directors to be held by means of telephone conference or other methods of simultaneous communication by electronic or telegraphic means when necessary. The Board also approves transactions through circular resolutions, which are circulated to the Board together with all the relevant information relating to the proposed transaction.

The frequency of meetings and the attendance of each director at every Board and Board Committee meetings for FY2015 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 meetings		No. of meetings	
	Held	Attended	Held	Attended	Held	Attended	Held	Attended
Mr Tan Chong Huat	9	8	4	4	4	4	3	3
Mr Aditya Wisnuwardana Seky Soeryadjaya	9	9	4	4*	4	3*	3	2*
Mr Daniel Zier Johannes Jol	9	8	4	4*	4	3*	3	1*
Ms Lanymarta Ganadjaja	9	8	4	4*	4	2*	3	-
Mr Chee Teck Kwong Patrick	9	9	4	4	4	4	3	3
Mr Tay Ah Kong Bernard	9	9	4	4	4	4	3	3
Mr Bambang Nugroho#	9	2	4	1*	4	-	3	-
Mr Raymond Budhin†	9	1	4	1*	4	1*	3	1*

* By Invitation
\# Mr Bambang Nugroho resigned on 30 April 2015
† Mr Raymond Budhin was appointed on 22 May 2015 and has resigned on 30 March 2016.

Matters Requiring Board Approval

Aside from carrying out its normal duties, the Board of Directors also deliberated on material transactions such as the appointment of the Qualified Person; potential farm-out opportunities of the Group's oil and gas interests and various fund raising activities during the financial year.

Director Orientation and Training

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 which allows 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.

CORPORATE GOVERNANCE REPORT

New directors are also informed about matters such as the Code of Dealing in the Company's securities. Changes to regulations and accounting standards are monitored closely by the Management. In order to keep pace with such regulatory changes, the Company provides opportunities for ongoing training on Board processes and best practices as well as any 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 effectively.

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, 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 (if any) and key changes to 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 organisations, 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. The external auditors would update the AC and the Board on new and revised financial reporting standards annually.

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 (resigned on 30 April 2015)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Chee Teck Kwong Patrick
Mr Tay Ah Kong Bernard

NON-EXECUTIVE AND NON-INDEPENDENT DIRECTOR

Mr Raymond Budhin (was appointed on 22 May 2015 and has resigned on 30 March 2016)

CORPORATE GOVERNANCE REPORT

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 judgement in the conduct of the Group's affairs and thus enabling Management to benefit from a diverse and objective external perspective on issues raised before the Board. 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 or small group of individuals influencing or dominating the decision making process. The Board is available to shareholders where they have concerns and for which contact through the normal channels of the Chairman, the CEO or the Chief Financial Officer has failed to resolve or is inappropriate. For reason as stated above, the Board is of the view that it is not necessary to appoint any Lead Independent Director.

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 page 30.

The size and composition of the Board are reviewed from time to time by the NC with a view to determine the impact of its number upon effectiveness. The NC decides on what it considers an appropriate size, taking into account the scope and nature of the Company's operations, the requirements of the business and the need to avoid undue disruptions from changes to the composition of the Board and Board committees. 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 the 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, tax matters, management experience and industry knowledge.

The profiles of the Board are set out on pages 8 to 10 of the Annual Report.

To-date, none of the Non-Executive Directors of the Company has been appointed as director of the Company's principal subsidiary, which is based in Singapore.

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 coordinates informal meetings for Non-Executive and Independent Directors to meet without the presence of the Executive Directors and/or Management.

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 represents the collective leadership of the Board and is responsible for amongst others, the proper carrying out of the business of the Board including:-

- The exercise of control over quantity, quality and timeliness of the flow of information between the Board, Management and Shareholders of the Company, ;
- Consulting the CEO in setting the meeting agenda of the Board ;
- Ensuring that Board meetings are held when necessary;
- Ensuring that Management provides the Board members with complete, adequate and timely information; and
- Encouraging constructive relationships, mutual respect and trust between the Board and the Management, and between the Executive Directors and Independent Directorsensuring the Company strives to achieve and maintain a high standard of corporate governance practices by establishing a share acceptance of core business and management values among Board members.

CORPORATE GOVERNANCE REPORT

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 has no relationship with the Company, its related corporations, its 10% shareholders or its officer and is not directly associated with 10% shareholders. The other NC 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, *inter alia*:

- 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;
- 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 or 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, notwithstanding that the director has multiple board representations, based on internal guidelines such as attendance, intensity of participation and responsiveness;

The NC held three meetings during the financial year. Pursuant to the Company's Constitution, 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. Regulation 107 of the Constitution requires one-third of the Board to retire and submit themselves for re-election by shareholders at each Annual General Meeting ("**AGM**"). In addition, Regulation 117 of the Constitution provides that every new director must retire and submit themselves for re-election at the next AGM of the Company following his/her appointment during the year.

CORPORATE GOVERNANCE REPORT

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 Appointment to the Board	Date of Last Re-election as Director
Mr Tan Chong Huat	Non-Executive Chairman	17 February 2004	24 April 2013
Mr Aditya Wisnuwardana Seky Soeryadjaya	Chief Executive Officer and Executive Director	30 June 2008	24 April 2013
Mr Daniel Zier Johannes Jol	Commercial Director and Executive Director	17 November 2008	30 April 2015
Ms Lanymarta Ganadjaja	Executive Director	30 June 2008	28 April 2014
Mr Chee Teck Kwong Patrick	Independent Director	17 February 2004	30 April 2015
Mr Tay Ah Kong Bernard	Independent Director	4 June 2008	28 April 2014
Mr Bambang Nugroho*	Executive Director and Technical Director	22 May 2015	N.A.
Mr Raymond Budhin†	Non-Executive Director	22 May 2015	N.A.

* Mr Bambang Nugroho resigned on 30 April 2015
† Mr Raymond Budhin resigned on 30 March 2016

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 and other principal commitments, the NC has reviewed the directorships of the Directors and 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 of these directors. Currently, the Board does not determine 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.

Particulars of interests of Directors who held office at the end of the financial year in shares and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the Directors' Statement.

In considering whether an independent director who has served on the Board for more than nine 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, 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.
h. The Independent Director is the Chairman of the Nominating Committee and Remuneration Committee and has led the Board Committees effectively in making independent and objective decisions.

CORPORATE GOVERNANCE REPORT

In this regard, the NC with the concurrence of the Board, has reviewed the suitability of Mr Chee Teck Kwong Patrick being an Independent Director having served on the Board for beyond nine years and considered that Mr Chee Teck Kwong Patrick remains independent. He abstains from voting on any resolution where it relates to his re-appointment.

The NC has recommended and the Board has approved the re-election of the Mr Aditya Wisnuwardana Seky Soeryadjaya and Mr Tan Chong Huat and Ms Lanymarta Ganadjaja, who are retiring at the forthcoming AGM. Ms Lanymarta Ganadjaja has indicated her intention to retire from the Board and not seek re-election at the forthcoming AGM of the Company.

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 the Directors' Statement.

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 evaluation results of the Board and its Board Committees are reviewed and discussed by the NC. Any recommendation and suggestion arising from the evaluation exercise are circulated to the Board for consideration of the appropriate measures to be taken.

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 fulfil 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, to enable the Board to make informed decisions. For matters that require the Board's decision, relevant members of the management staffs are invited to attend and present 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 also 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. Board is also informed of any significant developments or events relating to the Group. In addition, the Board is 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 Board in a timely manner.

The Board has separate and independent access to the key management personnel at all times. Where necessary, the Company will, upon the request of Board (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 separate and independent access to the Company Secretary, who provides the Board with regular updates on the requirements of the Companies Act and 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 or his representatives ensure 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 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 and advise the Board on all governance matters. 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 remuneration packages at market rates which reward successful performance and attract, retain and motivate directors and key management personnel.

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 RC 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 management personnel 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, *inter alia*:

- Reviewing and recommending to the Board a framework of remuneration and specific remuneration packages for all directors and key management personnel of the Company;
- Reviewing the service agreements of the Executive Directors and key management personnel of the Company;
- 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 RC recommends, in consultation with the Chairman of the Board, a framework of remuneration policies for key management personnel and directors serving on the Board and Board Committees, and determines specifically the remuneration package for each Executive Director of the Company. The review covers all aspects of remuneration including but 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 ensures that the remuneration packages for the Executive Directors and senior management are fair and not overly generous. The RC's recommendations are submitted to the entire Board for endorsement. Each member of the RC shall abstain from voting on any resolutions and making any recommendation and/or participating in any deliberations of the RC in respect of his remuneration package.

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.

CORPORATE GOVERNANCE REPORT

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 to 48 of this Annual Report.

The Ramba Group Exploration and Production ("**E&P**") Cash Based Incentive Plan ("**Plan**") was introduced and adopted by the Company in 2013 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.

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 as the Group's relative performance and the performance of its individual directors. The level and structure of remuneration is aligned with the long-term interest and risk policies of the Company.

The Independent and Non-Executive Directors are paid directors' fees, which takes into account factors including but not limited to 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 and key management personnel with that of the shareholders and promotes the long-term success of the company.

In addition, the Company has implemented long-term incentive schemes, as described under Principle 7. The RGSOS and RGPSP are both structured with deferred vesting schedules, whereby only a portion of the benefits can be exercised each year. The directors and key management personnel are strongly encouraged to hold their shares beyond the vesting period.

The service contracts entered into with the three Executive Directors, namely (1) Mr Aditya Wisnuwardana Seky Soeryadjaya, (2) Mr Daniel Zier Johannes Jol and (3) Ms Lanymarta Ganadjaja are subject to review by the RC. The service agreements 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 Director (only those who were in service for FY2015) is as follows:

Directors

Names	Salary (%)	Bonus (%)	Other Benefits (%)	Share Options (%)	Share Awards (%) [3]	Directors' Fees (%)	Total (%)
S$250,000 to S$500,000							
Aditya Wisnuwardana Seky Soeryadjaya [2]	48.26	4.84	0.97	0.00	45.93	0.00	100
Lanymarta Ganadjaja	42.99	4.38	13.60	0.00	39.03	0.00	100
Daniel Zier Johannes Jol	44.67	3.72	6.99	0.00	44.62	0.00	100
Below S$250,000							
Raymond Budhin	0.00	0.00	0.00	0.00	9.88	90.12	100
Tan Chong Huat [1]	0.00	0.00	14.87	0.00	26.79	58.34	100
Chee Teck Kwong Patrick [1]	0.00	0.00	0.00	0.00	31.88	68.12	100
Tay Ah Kong Bernard [1]	0.00	0.00	0.00	0.00	31.88	68.12	100

Notes:
[1] Directors' Fees for FY2015 were approved by shareholders on 30 April 2015.
[2] Son of substantial shareholder, Mr Edward Seky Soeryadjaya.
[3] Share Awards vested by the Company during the financial year.

Top 4 Executives of the Group

The gross remuneration received by the top 4 Executives of the Group is as follows:-

Range	No of Executives
Below S$250,000	1
S$250,000 to S$500,000	2
S$500,000 to S$750,000	1

The aggregate total remuneration paid to the top four management personnel (who are not directors or the CEO) for the year ended 31 December 2015 is approximately S$1,473,777.

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.

Remuneration of Employee Related to Director

The table below reflects the details of the remuneration (in the nearest thousand dollars) of an employee who is an immediate family member of a director or CEO, and whose remuneration exceeds S$50,000 for the year ended 31 December 2015:-

Name	Salary (%)	Bonus (%)	Other Benefits (%)	Share Options (%)	Share Awards (%)	Total (%)
S$100,000 to S$150,000						
Franciscus Dewana Darmapuspita (Spouse of Ms Lanymarta Ganadjaja, an Executive Director of the Company)	0.00	0.00	100.00	0.00	0.00	100

During the year, Mr Franciscus Dewana Darmapuspita (the "**Related Employee**") who is the spouse of Ms Lanymarta Ganadjaja, an Executive Director of the Company, and a President Director of PT Hexindo Gemilang Jaya, a subsidiary of the Group has retired from the Group. The amount provided above represented a severance payout to the employee in accordance with the law of Republic of Indonesia.

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 appropriate management reports in a balanced and understandable assessment of the Group's performance, position and prospects.

The Board also takes adequate steps to ensure compliance with legislative and regulatory requirements. For instance, subsequent to the implementation of the Personal Data Protection Act, which took effect from 2 July 2014, the Board reviewed and established a written Personal Data Protection Policy for the Company.

The Directors and key Executive Officers have provided undertakings of compliance with the requirements of the SGX in accordance with Rule 720(1).

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. 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, compliance risks and information technology controls. The Group has in place a Risk Management Committee ("**RMC**") comprising 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 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 (a) the financial records have been properly maintained and the financial statements in accordance with the Companies Act and Singapore Financial Reporting Standards and are not false or misleading in any material aspect, and give a true and fair view of the Group's operations and finances; and (b) the risk management and internal control systems are operating effectively to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations.

Based on the internal controls and risk management processes established and maintained by the Group, the work performed by the internal and external auditors and the internal compliance team, and reviews performed and representations made by the Management, the Board, with the concurrence of the Audit Committee, is of the opinion that the Group's system of internal controls and risk management procedures are adequate as at 31 December 2015, in addressing the financial, operational (including information technology) and compliance risks of the Group. The Board further acknowledges that the internal controls and risk management systems in place provide reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

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 and recent experience in finance, legal and business fields. The members of the AC are kept updated on changes to accounting standards and issues which have a direct impact on the financial statements through seminars, courses and briefings by the external professionals.

The role of the AC is to assist the Board with discharging its responsibility to safeguard the Group'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, scope and results of the external audit report, any matters which the external auditors wish to discuss and their independence and objectivity of the external auditors;

- 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 Company's internal controls, including financial, operational, compliance and information technology controls

- Reporting to the Board, the adequacy and effectiveness of the Company's internal controls, 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;

CORPORATE GOVERNANCE REPORT

- Reviewing the Company's procedures for detecting fraud and whistle-blowing policy endorsed by the AC 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

- Considering and making recommendations to the Board on the proposals to the shareholders on the appointment or re-appointment of the external auditors, approving the remuneration and terms of engagement of the external auditors, and matters relating to resignation or dismissal of the auditors.

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$146,000 and S$108,000 respectively for the financial year ended 31 December 2015.

The AC has undertaken a review of the services, scope, independence and objectivity of the external auditors, Ernst & Young LLP. The external auditors of the Company have confirmed that they are a Public and Chartered Accounting Firm registered with ACRA and have provided a confirmation of their independence to the AC. Having assessed the external auditors based on factors such as performance and quality of their audit partners and auditing team, their overall qualification and their independence status, the AC is satisfied that Rule 712(2)(a) of the Listing Manual of the SGX-ST has been complied with. In this regard, the AC recommends to the Board the nomination of Ernst & Young LLP for re-appointment as the external auditors at the forthcoming AGM.

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.

In July 2010, SGX-ST and ACRA launched the "Guidance to Audit Committees on Evaluation of Quality of Work performed by External Auditors" which aims to facilitate the AC in evaluating the external auditors. Accordingly, the AC had evaluated the performance of the external auditors based on the key indicators of audit quality set out in the Guidance such as performance, adequacy of resources and experience of their audit engagement partner and auditing team assigned to the Group's audit, the size and complexity of the Group.

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 of the Group. 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 has appointed KPMG Services Pte. Ltd. ("**IA**") as its internal auditors, which works together with the Company's internal compliance department, and conducted the internal audits for the financial year ended 31 December 2015.

The IA is adequately resourced with competent professionals and reported directly to the Chairman of the AC. In discharging its responsibilities, the IA has full access to the Company's documents, records and personnel.

The AC reviewed and approved the annual internal audit plans and ensured that the internal audit functions were adequately resourced with competence, and had appropriate standing within the Group and cooperation of the Management to carry out its duties effectively. The IA assisted the AC in reviewing the adequacy and effectiveness of key internal controls in accordance with the internal audit plan and all key findings, recommendations and corrective action plans are reported and presented to the AC and senior management. Information on outstanding issues is included in the quarterly reports to the AC, the Chairman and senior management.

In carrying out its duties, the internal auditors have adopted the Standards for Professional Practice of Internal Auditing set by The Institute of Internal Auditors.

The AC also met with the internal auditors and external auditors, without Management's presence, to discuss the reasonableness of the financial reporting process, the system of internal controls, and the significant comments and recommendations by auditors.

The AC reviews the adequacy and effectiveness of the internal audit function annually and as and when the circumstances require.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

SHAREHOLDER RIGHTS

Principle 14: Companies should treat all shareholders fairly and equitably, and should recognise, 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.

All shareholders of the Company will receive the 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.

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;

CORPORATE GOVERNANCE REPORT

- 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 and price sensitive information is first publicly released through SGXNet 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 (14) clear calendar days before the meeting for ordinary resolutions and/or 21 clear calendar days before the meeting for special resolutions. The Board welcomes questions from shareholders who wish to raise issues concerning the Company, 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 Company's Constitution allows corporations and members of the Company to appoint one (1) or two (2) proxies to attend and vote at general meetings. A Relevant Intermediary[1] may appoint more than 2 proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified). An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

Every matter requiring shareholders' approval is proposed as a separate resolution at the general meeting to address each distinct issue and all the resolutions to vote by poll. The Company has implemented the system of voting by poll at its upcoming AGM. Results of each resolution put to vote at the AGM will be announced with the detailed voting results, including the total number and/or percentage of votes cast for or against each resolution tabled in the AGM, were announced immediately at the AGMs and via SGXNet. Each item of special business included in the notice of the meeting is accompanied, where appropriate, by an explanation for the proposed resolution.

The Company prepares minutes of general meetings incorporating the substantial and relevant comments or queries from shareholders that is relevant to the agenda of the meeting and responses from the Board and the Management. Such minutes are available to shareholders upon their request.

MATERIAL CONTRACTS

Save as disclosed in the Directors' Statement 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 2015.

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[1] A Relevant Intermediary is:

a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or
b) a person holding a capital markets services licence to provide custodial services for securities under the Securities Futures Act (Cap. 289) and who holds shares in that capacity; or
c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

CORPORATE GOVERNANCE REPORT

INTERESTED PERSON TRANSACTIONS

The Board is mindful of its obligations to comply with Chapter 9 of the SGX-ST Listing Manual in respect of interested person transactions ("**IPTs**"). The AC reviews the IPTs 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 IPTs 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.

The following is the aggregate value of all transactions with interested persons (as defined in Chapter 9 of the Listing Manual of the SGX-ST) for the financial year ended 31 December 2015:

Name of Interested Person	Aggregate value of all IPTs during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)
Interest on loan from Ortus Holdings Limited	$60,423
Rental of office space from PT Ortus Kapital Indonesia	$442,666

Save as disclosed above and in the Director's Statement and notes to the financial statements, there were no interested party transactions except as disclosed above equal to or exceeding $100,000 in aggregate 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 year ended 31 December 2015.

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 also encouraged not to deal in the Company's securities on short-term considerations.

PRIVATE PLACEMENT

On 3 May 2015, the Company had announced via the SGXNet, the proposed placement of 68,000,000 new ordinary shares at a placement price of S$0.27 per share (the "**1st Placement**"). The Company then updated shareholders in its announcement of 24 May 2015 that the Company had successfully completed the 1st Placement on the same day. Subsequent to the Placement, the Company has announced on 19 June 2015 that the net proceeds amounting to S$17.9 million (the "**Net Proceeds**") have been utilised and the utilisation is in line with the intended uses of the Net Proceeds as stated in the Offer Information Statement.

On 7 May 2015, the Company had announced via the SGXNet, the proposed placement of 9,000,000 new ordinary shares at a placement price of S$0.32 per share (the "**2nd Placement**"). The Company then updated shareholders in its announcement of 22 June 2015 that the Company had successfully completed the 2nd Placement on the same day. Subsequent to the 2nd Placement, the Company has announced on 21 August 2015 that the net proceeds amounting to S$2.79 million (the "**Net Proceeds**") have been utilised and the utilisation is in line with the intended uses of the Net Proceeds 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 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.

CORPORATE GOVERNANCE REPORT

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 Ah Kong Bernard 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 Ah Kong Bernard is not a shareholder or a 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 FROM REQUIREMENT TO INCLUDE QUALIFIED PERSON REPORT ("QPR") IN THE ANNUAL REPORT

The Company has on 17 February 2016 submitted an application to SGX-ST to seek waiver of the Annual Report QPR disclosure requirements in Rule 1207(21) and Practice Note 6.3 for Mineral, Oil and Gas Companies in the SGX-ST Listing Manual to include a QPR in the Company's annual report for the financial year ended December 2015 ("**AR 2015**") for the following reasons:-

(i) The bulk of the information required to be included in the QPR (as prescribed by Practice Note 6.3 of the SGX Listing Manual, and particularly paragraph 5) is of a highly confidential and sensitive nature. The inclusion of such information in the AR 2015 will affect the Company's competitive ability and expose it to potential liability and sanctions. Technical information on the Company's contract areas is proprietary of the host government as a matter of law and contract, and thus any public disclosure of such information is subject to their authorisation and review; and

(ii) The QPR contains extensive, and detailed technical information, which are complex and lengthy. Much of this information is intended for professionals. Such technical information, if disclosed, may be more advantageous to competitors instead of shareholders.

Having reviewed the Company's application, SGX-ST responded that it has no objections to the Company's application for a waiver from compliance with Listing Rule 1207(21)(a) for the annual report for the financial year ended 31 December 2015. Accordingly, the Company had released an announcement regarding SGX's decision via the SGXNet on 11 March 2016.

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 • P99 Holdings Limited *(formerly known as China Fashion Holdings Limited)*	NIL
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

CORPORATE GOVERNANCE REPORT

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 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
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 Raymond Budhin	Bachelor of Social Science degree from the University of Southern California in Los Angeles, California, USA.	Non-Executive Director	NIL	22 May 2015	• PT Chandra Asri Petrochemical Tbk	• PT Sejahteraraya Anugrahjaya Tbk • PT Nirmala Kencana Mas
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, 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 • Tat Seng Packaging Group Ltd • Hanwell Holdings Limited • Hai Leck Holdings Limited • China International Holdings Limited	• Singapore Windsor Holdings Limited • Hengxin Technology Ltd (resigned on 27 April 2015)
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 • SIIC Environment Holdings Ltd *(formerly known as Asia Water Technology Ltd)* • OEL (Holdings) Limited *(formerly known as Oakwell Engineering Limited)*	• Hengxin Technology Ltd (resigned on 27 April 2015)
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 Bambang Nugroho resigned on 30 April 2015.

The details on shareholdings of the Directors are disclosed on page 45 of the Annual Report under Directors' Interest in Shares or Debentures section of the Directors' Statement.

ANNUAL FINANCIAL STATEMENTS

31 DECEMBER 2015

CONTENTS

DIRECTORS' STATEMENT

The Directors are pleased to present their statement to the members together with the audited consolidated financial statements of Ramba Energy Limited (the "**Company**") and its subsidiaries (collectively, the "**Group**") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2015.

OPINION OF THE DIRECTORS

In the opinion of the Directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2015 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the year ended on that date; and

(b) 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.

DIRECTORS

The Directors of the Company in office at the date of this statement 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
Chee Teck Kwong Patrick	-	Independent Director
Tay Ah Kong Bernard	-	Independent Director

In accordance with Regulation 107 of the Company's Constitution, Mr Tan Chong Huat and Mr Aditya Wisnuwardana Seky Soeryadjaya retire and being eligible for, offer themselves for re-election. Ms Lanymarta Ganadjaja will retire in accordance with Regulation 107 of the Company's Constitution at the forthcoming Annual General Meeting ("**AGM**").

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 objects 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' STATEMENT

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, an interest in shares and share options of the Company as stated below:

Name of Director	At the beginning of financial year	At the end of financial year
The Company		
Aditya Wisnuwardana Seky Soeryadjaya		
- Ordinary shares	5,872,667	6,392,471
- Options to subscribe for ordinary shares between 03/10/2015 to 22/3/2018	1,843,633	1,843,633
Daniel Zier Johannes Jol		
- Ordinary shares	2,536,999	3,847,839
- Options to subscribe for ordinary shares between 03/10/2015 to 16/2/2020	2,690,424	4,242,424
Lanymarta Ganadjaja		
- Ordinary shares	763,666	1,736,309
- Options to subscribe for ordinary shares between 03/10/2015 to 16/2/2020	2,121,709	3,299,709
Tan Chong Huat		
- Ordinary shares	931,871	1,215,722
Chee Teck Kwong Patrick		
- Ordinary shares	752,405	976,570
Tay Ah Kong Bernard		
- Ordinary shares	682,405	906,570
Raymond Budhin (resigned on 30 March 2016)		
- Ordinary shares	–	15,000

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2016.

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 date of appointment if later, or at the end of the financial year.

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-transferable options that are settled by physical delivery of the ordinary shares of the Company, to eligible senior executives and employees.

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

DIRECTORS' STATEMENT

SHARE OPTIONS (CONT'D)

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

On 16 February 2015, the Company made an offer to grant 3,557,000 share options at the exercise price of S$0.2863 per share, to the eligible participants under the RGSOS. 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 16 February 2020.

No shares were issued under the RGSOS during the year.

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 01/01/2015	Options granted	Options lapsed and cancelled	Options outstanding 31/12/2015	Exercise period
03/10/2011	S$0.321	2,141,475	–	(521,719)	1,619,756	03/10/2012 - 03/10/2016
14/09/2012	S$0.33	2,108,715	–	(538,705)	1,570,010	14/09/2013 - 14/09/2017
22/03/2013	S$0.505	2,467,000	–	(434,000)	2,033,000	22/03/2014 - 22/03/2018
26/02/2014	S$0.50	1,867,000	–	(434,000)	1,433,000	26/02/2015 - 26/02/2019
16/02/2015	S$0.2863	–	3,557,000	(827,000)	2,730,000	16/02/2016 - 16/02/2020
		8,584,190	3,557,000	(2,755,424)	9,385,766	

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	Balance as at 01/01/2015	Options granted during the year	Aggregate options granted since commencement of Scheme to 31/12/2015	Aggregate options expired since commencement of Scheme to 31/12/2015	Aggregate options exercised	Aggregate option lapsed and cancelled	Aggregate options outstanding as at 31/12/2015
Aditya Wisnuwardana Seky Soeryadjaya	1,843,633	–	2,738,633	895,000	–	–	1,843,633
Daniel Zier Johannes Jol	2,690,424	1,552,000	5,048,424	806,000	–	–	4,242,424
Lanymarta Ganadjaja	2,121,709	1,178,000	4,142,424	668,000	174,715	–	3,299,709
Bambang Nugroho (resigned on 30.4.2015)	1,928,424	827,000	3,347,424	592,000	–	2,755,424	–
	8,584,190	3,557,000					9,385,766

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 of more than 20% of the weighted average price on the day the options were granted.

DIRECTORS' STATEMENT

SHARE AWARDS

On 16 February 2015 and 10 August 2015, the Company granted 5,335,000 and 5,802,000 share awards (other than controlling shareholder and their associates) under the RGPSP respectively. The share awards will be released as follows:

- For share awards granted on 16 February 2015, the share awards will be vested over three years from the grant date in equal one third proportion of the total share awards granted;
- For share awards granted on 10 August 2015, the share awards will be vested over three years in four tranches on the following dates:

  25 August 2015 - 30%
  10 August 2016 - 30%
  10 August 2017 - 20%
  10 August 2018 - 20%

  On the same date, the Company granted 1,200,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya, which will be subject to shareholders' approval at the coming AGM.

At the 30 April 2015 AGM, the shareholders approved the grant of 624,000 shares awards to Mr Aditya Wisnuwardana Seky Soeryadjaya.

During the year, the Company vested 7,145,196 (2014: 4,121,000) by way of allotment of new shares under the RGPSP. At the end of the reporting period, the total number of outstanding share awards and bonus awards granted by the Company to the employees and Directors amounted to 13,167,000 (2014: 8,898,000).

As at 31 December 2015, details of share awards and bonus share awards granted to the Directors of the Company under the RGPSP are set out as below:

Name of Director	Balance as at 01/01/2015	Share awards granted	Share awards vested	Balance as at 31/12/2015
Aditya Wisnuwardana Seky Soeryadjaya	311,000	624,000	191,000	744,000
Daniel Zier Johannes Jol	946,036	938,000	457,036	1,427,000
Lanymarta Ganadjaja	750,036	712,000	378,036	1,084,000
Bambang Nugroho	565,036	500,000	1,065,036	–
Tan Chong Huat	336,651	297,000	180,651	453,000
Chee Teck Kwong Patrick	264,665	234,000	141,665	357,000
Tay Ah Kong Bernard	264,665	234,000	141,665	357,000
	3,438,089	3,539,000	2,555,089	4,422,000

DIRECTORS' STATEMENT

SHARE AWARDS (CONT'D)

Name of Director	Balance as at 01/01/2015	Bonus share awards granted	Bonus share awards vested	Balance as at 31/12/2015
Aditya Wisnuwardana Seky Soeryadjaya	723,733	–	328,804	394,929
Daniel Zier Johannes Jol	723,733	1,750,000	853,804	1,619,929
Lanymarta Ganadjaja	482,893	1,250,000	594,607	1,138,286
Bambang Nugroho	482,893	–	482,893	–
Tan Chong Huat	–	344,000	103,200	240,800
Chee Teck Kwong Patrick	–	275,000	82,500	192,500
Tay Ah Kong Bernard	–	275,000	82,500	192,500
Raymond Budhin	–	50,000	15,000	35,000
	2,413,252	3,944,000	2,543,308	3,813,944

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 the 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 and internal auditors, other Board Committees and Management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviewed legal and regulatory matters which 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 auditor;
- Reviewed the nature and extent of non-audit services provided by the external auditor;
- Recommended to the Board of Directors the external auditor to be nominated, approved the compensation of the external auditor 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.

DIRECTORS' STATEMENT

AUDIT COMMITTEE (CONT'D)

The AC convened four meetings during the financial year with full attendance from all members. The AC has also met with the internal and the 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 auditor, Ernst & Young LLP, be nominated for re-appointment as auditor at the forthcoming AGM 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 re-appointment as auditor.

On behalf of the Board of Directors,

Tan Chong Huat
Non-Executive Chairman

Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer

Singapore
30 March 2016

INDEPENDENT AUDITOR'S REPORT

For the financial year ended 31 December 2015

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 51 to 117, which comprise the statements of financial position of the Group and the Company as at 31 December 2015, 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 financial statements 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 statement of financial position 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 financial position of the Group and of the Company as at 31 December 2015 and of the financial performance, 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 subsidiary corporations 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
30 March 2016

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2015

	Notes	2015 S$'000	2014 S$'000
Revenue			
Turnover	4	64,586	74,408
Other income	5	2,170	2,619
Total revenue		66,756	77,027
Costs and operating expenses			
Service costs and related expenses		(35,944)	(45,038)
Royalties payment		(523)	(967)
Salaries and employee benefits	6	(30,857)	(32,217)
Depreciation and amortisation expenses		(2,478)	(3,033)
Finance costs	7	(287)	(845)
Other operating expenses	8a	(27,100)	(7,095)
Total costs and operating expenses		(97,189)	(89,195)
Loss before tax	8b	(30,433)	(12,168)
Income tax	9	1,870	(204)
Loss for the year		(28,563)	(12,372)
Attributable to:			
Owners of the Company		(28,161)	(11,930)
Non-controlling interests		(402)	(442)
		(28,563)	(12,372)
Loss per share attributable to owners of the Company (cents per share)			
Basic and diluted	10	(6.30)	(3.24)

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 2015

	2015 S$'000	2014 S$'000
Loss for the year	(28,563)	(12,372)
Other comprehensive income:		
Item that may be reclassified subsequently to income statement		
Foreign currency translation	4,018	1,732
Item that will not be reclassified to income statement		
Re-measurement of defined benefit obligation	109	(34)
Other comprehensive income for the year, net of tax	4,127	1,698
Total comprehensive loss for the year, net of tax	(24,436)	(10,674)
Attributable to:		
Owners of the Company	(23,953)	(10,168)
Non-controlling interests	(483)	(506)
	(24,436)	(10,674)

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

STATEMENTS OF FINANCIAL POSITION

As at 31 December 2015

	Note	Group 2015 S$'000	Group 2014 S$'000	Company 2015 S$'000	Company 2014 S$'000
Non-current assets					
Oil and gas properties	11	42,352	25,402	–	–
Property, plant and equipment	11	5,646	6,494	287	334
Intangible assets	12	2,208	2,362	58	134
Investments in exploration and evaluation assets	13	24,602	45,340	–	–
Investment in marketable securities		3	3	3	3
Investments in subsidiaries	14	–	–	2,893	3,098
Loans to subsidiaries	16	–	–	36,165	38,992
Other assets	17	12	91	–	–
Other receivables	19	3,075	6,020	–	–
Deferred tax assets	27	303	301	–	–
Fixed deposits	20	2,423	2,478	–	–
		80,624	88,491	39,406	42,561
Current assets					
Trade receivables	18	14,500	15,982	–	–
Other receivables	19	7,183	4,708	58,486	45,614
Prepaid operating expenses		1,323	1,154	214	157
Inventories		205	180	–	–
Other assets	17	10	22	–	–
Cash and bank balances	20	11,532	3,790	1,288	250
Assets held for sale	15	–	398	–	–
		34,753	26,234	59,988	46,021
Current liabilities					
Trade payables	21	18,574	18,230	–	–
Other payables	22	13,424	11,792	4,524	3,834
Provisions	23	695	429	–	–
Loans and borrowings	24	170	2,633	–	2,633
Finance lease liabilities	25	1,341	1,450	76	74
Income tax payable		134	175	–	–
		34,338	34,709	4,600	6,541
Net current assets/(liabilities)		415	(8,475)	55,388	39,480
Non-current liabilities					
Other payables	22	2,568	2,815	–	–
Provisions	23	1,862	1,236	39	39
Abandonment and site restoration liabilities	26	709	743	–	–
Finance lease liabilities	25	1,130	2,470	111	187
Loans and borrowings	24	4,072	–	–	–
Deferred tax liabilities	27	5,220	6,826	–	–
		15,561	14,090	150	226
Net assets		65,478	65,926	94,644	81,815
Equity attributable to owners of the Company					
Share capital	28	123,601	101,133	123,601	101,133
Treasury shares	28	(935)	(935)	(935)	(935)
Other reserves	29	10,117	5,578	6,591	6,260
Accumulated losses		(65,574)	(38,602)	(34,613)	(24,643)
		67,209	67,174	94,644	81,815
Non-controlling interests		(1,731)	(1,248)	–	–
Total equity		65,478	65,926	94,644	81,815

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 2015

2015 Group	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Accu-mulated 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
		Attributable to owners of the Company										
Opening balance as at 1 January 2015	65,926	67,174	101,133	(935)	(38,602)	5,578	3,630	66	(1,096)	2,630	348	(1,248)
Loss for the year	(28,563)	(28,161)	–	–	(28,161)	–	–	–	–	–	–	(402)
Other comprehensive income												
Re-measurement of defined benefit obligation	109	109	–	–	–	109	–	109	–	–	–	–
Foreign currency translation	4,018	4,099	–	–	–	4,099	–	–	4,099	–	–	(81)
Total comprehensive (loss)/income for the year, net of tax	(24,436)	(23,953)	–	–	(28,161)	4,208	–	109	4,099	–	–	(483)
Contributions by and distributions to owners												
Issuance of shares from placement	21,240	21,240	21,240	–	–	–	–	–	–	–	–	–
Share issuance expenses	(513)	(513)	(513)	–	–	–	–	–	–	–	–	–
Issuance of shares pursuant to RGPSP/RGSOS	–	–	1,741	–	1,189	(2,930)	(2,930)	–	–	–	–	–
Grant of equity settled share based payment to employees	3,261	3,261	–	–	–	3,261	3,261	–	–	–	–	–
Total contributions by and distributions to owners	23,988	23,988	22,468	–	1,189	331	331	–	–	–	–	–
Total transactions with owners in their capacity as owners	23,988	23,988	22,468	–	1,189	331	331	–	–	–	–	–
Closing balance as at 31 December 2015	65,478	67,209	123,601	(935)	(65,574)	10,117	3,961	175	3,003	2,630	348	(1,731)

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 2015

2014 Group	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Accu-mulated 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
		Attributable to owners of the Company										
Opening balance as at 1 January 2014	58,660	59,402	84,263	(935)	(26,672)	2,746	2,560	100	(2,892)	2,630	348	(742)
Loss for the year	(12,372)	(11,930)	–	–	(11,930)	–	–	–	–	–	–	(442)
Other comprehensive income												
Re-measurement of defined benefit obligation	(34)	(34)	–	–	–	(34)	–	(34)	–	–	–	–
Foreign currency translation	1,732	1,796	–	–	–	1,796	–	–	1,796	–	–	(64)
Total comprehensive (loss)/income for the year, net of tax	(10,674)	(10,168)	–	–	(11,930)	1,762	–	(34)	1,796	–	–	(506)
Contributions by and distributions to owners												
Issuance of shares from placement	15,000	15,000	15,000	–	–	–	–	–	–	–	–	–
Share issuance expenses	(53)	(53)	(53)	–	–	–	–	–	–	–	–	–
Issuance of shares pursuant to RGPSP/RGSOS	–	–	1,923	–	–	(1,923)	(1,923)	–	–	–	–	–
Grant of equity settled share based payment to employees	2,993	2,993	–	–	–	2,993	2,993	–	–	–	–	–
Total contributions by and distributions to owners	17,940	17,940	16,870	–	–	1,070	1,070	–	–	–	–	–
Total transactions with owners in their capacity as owners	17,940	17,940	16,870	–	–	1,070	1,070	–	–	–	–	–
Closing balance as at 31 December 2014	65,926	67,174	101,133	(935)	(38,602)	5,578	3,630	66	(1,096)	2,630	348	(1,248)

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 2015

2015 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 2015	81,815	101,133	(935)	(24,643)	6,260	3,630	2,630
Loss for the year	(10,939)	–	–	(10,939)	–	–	–
Total comprehensive loss for the year	(10,939)	–	–	(10,939)	–	–	–
Contributions by and distributions to owners							
Issuance of shares from placement	21,240	21,240	–	–	–	–	–
Share issuance expenses	(513)	(513)	–	–	–	–	–
Issuance of shares pursuant to RGPSP/RGSOS	(220)	1,741	–	969	(2,930)	(2,930)	–
Grant of equity settled share based payment to employees	3,261	–	–	–	3,261	3,261	–
Total contributions by and distributions to owners	23,768	22,468	–	969	331	331	–
Closing balance as at 31 December 2015	94,644	123,601	(935)	(34,613)	6,591	3,961	2,630

2014 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 2014	66,599	84,263	(935)	(21,919)	5,190	2,560	2,630
Loss for the year	(2,724)	–	–	(2,724)	–	–	–
Total comprehensive loss for the year	(2,724)	–	–	(2,724)	–	–	–
Contributions by and distributions to owners							
Issuance of shares from placement	15,000	15,000	–	–	–	–	–
Share issuance expenses	(53)	(53)	–	–	–	–	–
Grant of equity settled share based payment to employees	2,993	–	–	–	2,993	2,993	–
Issuance of shares pursuant to RGPSP/RGSOS	–	1,923	–	–	(1,923)	(1,923)	–
Total contributions by and distributions to owners	17,940	16,870	–	–	1,070	1,070	–
Closing balance as at 31 December 2014	81,815	101,133	(935)	(24,643)	6,260	3,630	2,630

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 2015

	Notes	2015 S$'000	2014 S$'000
Operating activities:			
Loss before tax		(30,433)	(12,168)
Adjustments for:			
Depreciation and amortisation expenses		2,478	3,033
Unrealised exchange differences		–	(96)
Gain on disposal of property, plant and equipment	8(a)	(161)	(16)
Finance costs	7	287	845
Interest income from banks	5	(86)	(24)
Share based payment	6	3,261	2,993
Impairment loss on intangible assets	8(a)	–	659
Intangible assets written-off	8(a)	–	24
Impairment loss on oil and gas properties	8(a)	14,764	–
Property, plant and equipment written-off	8(a)	26	–
Impairment of property, plant and equipment	8(a)	–	16
Allowance for doubtful other receivables	8(a)	3,591	–
Write back of allowance for doubtful trade receivables	8(a)	(47)	(434)
Foreign exchange translation adjustments		(315)	(923)
Operating cash flows before working capital change		(6,635)	(6,091)
Change in inventories		(25)	(59)
Change in trade receivables		1,532	(942)
Change in other receivables		(2,734)	(1,410)
Change in prepaid operating expenses		(169)	(221)
Change in trade payables		344	889
Change in other payables and provisions		77	854
Cash used in operations		(7,610)	(6,980)
Interest income received		86	24
Income tax paid		(214)	(149)
Finance costs paid		(230)	(254)
Net cash flows used in operating activities		(7,968)	(7,359)
Investing activities:			
Proceeds from disposal of property, plant and equipment		597	2,054
Purchase of property, plant and equipment and oil and gas properties		(1,444)	(1,066)
Acquisition of exploration and evaluation assets	13	(6,528)	(6,678)
Acquisition of intangible assets		–	(84)
Net cash flows used in investing activities		(7,375)	(5,774)
Financing activities:			
Net proceeds from issuance of new shares		20,729	14,950
Increase in fixed deposits pledged		55	(1,162)
Repayment of finance lease		(1,447)	(1,825)
Proceeds from loans and borrowings		4,242	–
Repayment of loans and borrowings		(2,633)	(1,708)
Advances from third party		2,088	–
Net cash flows from financing activities		23,034	10,255
Net increase/(decrease) in cash and cash equivalents		7,691	(2,878)
Effect of exchange rate changes on cash and cash equivalents		51	185
Cash and cash equivalents at beginning of financial year		3,790	6,483
Cash and cash equivalents at end of financial year	20	11,532	3,790

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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 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 statements of financial position 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.

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 2015. The adoption of these standards did not have any effect on the financial performance or position of the Group and the Company.

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**
Amendments to FRS 16 and FRS 41: Agriculture: Bearer Plants	1 January 2016
Amendments to FRS 27: Equity Method in Separate Financial Statements	1 January 2016
Amendments to FRS 16 and FRS 38: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to FRS 110, FRS 112 and FRS 28: Investment Entities: Applying the Consolidation Exception	1 January 2016
Amendments to FRS 111: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.3 *Standards issued but not yet effective (cont'd)*

Description	**Effective for annual periods beginning on or after**
Improvements to FRSs (November 2014)	
(a) Amendments to FRS 105: Non-current Assets Held for Sale and Discontinued Operations	1 January 2016
(b) Amendments to FRS 107: Financial Instruments : Disclosures	1 January 2016
(c) Amendments to FRS 19: Employee Benefits	1 January 2016
(d) Amendments to FRS 34: Interim Financial Reporting	1 January 2016
Amendments to FRS 110 and FRS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined
Amendments to FRS 1: Disclosure Initiative	1 January 2016
FRS 114 Regulatory Deferral Accounts	1 January 2016
Amendments to FRS 7: Disclosure Initiative	1 January 2017
Amendments to FRS 12: Recognition of Deferred Tax Assets for Unrealised Losses	1 January 2017
FRS 115 Revenue from Contracts with Customers	1 January 2018
FRS 109 Financial Instruments	1 January 2018

Except for FRS 115 and FRS 109, the Directors expect that the adoption of the other standards above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of FRS 115 and FRS 109 are described below.

<u>FRS 115 *Revenue from Contracts with Customers*</u>

FRS 115 establishes a five-step model that will apply to revenue arising from contracts with customers. Under FRS 115, revenue is recognised at an amount that reflects the consideration which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in FRS 115 provide a more structured approach to measuring and recognising revenue when the promised goods and services are transferred to the customer i.e. when performance obligations are satisfied.

Key issues for the Group include identifying performance obligations, accounting for contract modifications, applying the constraint to variable consideration, evaluating significant financing components, measuring progress toward satisfaction of a performance obligation, recognising contract cost assets and addressing disclosure requirements.

Either a full or modified retrospective application is required for annual periods beginning on or after 1 January 2018 with early adoption permitted. The Group is currently assessing the impact of FRS 115 and plans to adopt the new standard on the required effective date.

<u>FRS 109 *Financial Instruments*</u>

FRS 109 introduces new requirements for classification and measurement of financial assets, impairment of financial assets and hedge accounting. Financial assets are classified according to their contractual cash flow characteristics and the business model under which they are held. The impairment requirements in FRS 109 are based on an expected credit loss model and replace the FRS 39 incurred loss model. Adopting the expected credit losses requirements will require the Group to make changes to its current systems and processes.

The Group currently measures one of its investments in unquoted equity securities at cost. Under FRS 109, the Group will be required to measure the investment at fair value. Any difference between the previous carrying amount and the fair value would be recognised in the opening retained earnings when the Group apply FRS 109.

FRS 109 is effective for annual periods beginning on or after 1 January 2018 with early application permitted. Retrospective application is required, but comparative information is not compulsory. The Group is currently assessing the impact of FRS 109 and plans to adopt the standard on the required effective date.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

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. If the Group loses control over a subsidiary, it:

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

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 and goodwill*

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.

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 profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.4 *Basis of consolidation and business combinations (cont'd)*

(b) *Business combinations and goodwill (cont'd)*

Business combinations from 1 January 2010 (cont'd)

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. 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.

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 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 cash-generating units to which goodwill have been allocated is tested for impairment annually and whenever there is an indication that the cash generating unit may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (of group of cash-generating units) to which the goodwill relates.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

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.

2.7 ***Property, plant and equipment***

All items of property, plant and equipment are initially recorded at cost. Subsequent to recognition, property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

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

- 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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.7 ***Property, plant and equipment (cont'd)***

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.8 ***Oil and gas properties (cont'd)***

(b) *Development and production assets (cont'd)*

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***

Intangible assets acquired separately are measured initially at cost. Following initial acquisition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the year in which the expenditure is incurred.

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 is the other intangible asset:

(i) *Software*

Software has an estimated useful life of 3 to 4 years.

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 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 groups of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses of continuing operations are recognised in profit or loss, except for assets that are previously revalued where the revaluation was taken to other comprehensive income. In this case, the impairment is also recognised in other comprehensive income up to the amount of any previous revaluation.

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 unless the asset is measured at revalued amount, in which case the reversal is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.11 ***Subsidiaries***

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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

2.12 ***Joint arrangements***

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of any arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. A joint arrangement is classified either as joint operation or joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

The joint arrangements of the Group are classified as joint operations whereby the Group recognises in relation to its interest in a joint operation:

(a) its assets, including its share of any assets held jointly;

(b) its liabilities, including its share of any liabilities incurred jointly;

(c) its revenue from the sale of its share of the output arising from the joint operation;

(d) its share of the revenue from the sale of the output by the joint operation; and

(e) its expenses, including its share of any expenses incurred jointly.

The Group accounts for the assets, liabilities, revenues and expenses relating to its interest in a joint operation in accordance with the accounting policies applicable to the particular assets, liabilities, revenues and expenses.

2.13 ***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 STATEMENTS
For the financial year ended 31 December 2015

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

2.13 ***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.

De-recognition

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

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 method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

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 STATEMENTS
For the financial year ended 31 December 2015

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

2.14 ***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.

2.15 ***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 STATEMENTS

For the financial year ended 31 December 2015

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

2.16 ***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.

2.17 ***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.

Provision for abandonment and site restoration liabilities ("ASR")

The Group 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.18 ***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.

2.19 ***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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.19 ***Employee benefits (cont'd)***

(b) *Defined benefit plan (cont'd)*

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.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.20 ***Leases***

(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 costs 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.

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 2.22(e). Contingent rents are recognised as revenue in the period in which they are earned.

2.21 ***Non-current assets held for sale***

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use.

Property, plant and equipment once classified as held for sale are not depreciated or amortised.

2.22 ***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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.22 *Revenue (cont'd)*

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Leasing income*

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

(e) *Rental income*

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

2.23 *Government grant*

Government grant is recognised in profit or loss upon cash receipt. Grants related to income may be presented as a credit in profit or loss, other separately or under a general heading such as "other income". Alternatively, they are deducted in reporting the related expenses.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.24 *Taxes (cont'd)*

(b) *Deferred tax (cont'd)*

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.

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.

(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 statement of financial position.

2.25 *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.

2.26 *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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

2.27 *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 statement of financial position 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.

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 2015 were S$134,000 (2014: S$175,000), S$5,220,000 (2014: S$6,826,000) and S$303,000 (2014: S$301,000) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

3. SIGNIFICANT ACCOUNTING JUDGEMENT AND ESTIMATES (CONT'D)

3.2 *Key sources of estimation uncertainty (cont'd)*

(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 2015 were S$5,646,000 (2014: S$6,494,000) and S$287,000 (2014: S$334,000) respectively. A 5% (2014: 5%) difference in the expected useful lives of these assets from management's estimates would result in S$87,000 (2014: S$110,000) 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 fields. Changes in the expected level of the commercial reserve of the fields 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 2015 was S$42,352,000 (2014: S$25,402,000). A 5% (2014: 5%) difference in the level of the commercial reserve of the fields would result in S$12,000 (2014: S$22,000) variance in the Group's loss after tax.

(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 is tested for impairment annually and at other times when such indicators exist. Other non-financial assets such as oil and gas properties 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 oil and gas properties and goodwill are given in Notes 11 and 12 respectively.

(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 2015 was S$709,000 (2014: S$743,000). Further details are provided in Note 26.

(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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

4. TURNOVER

	Group 2015 S$'000	Group 2014 S$'000
Revenue from:		
Logistics services	58,332	65,869
Oil and gas sales	2,866	4,697
Property rental income	3,388	3,842
	64,586	74,408

5. OTHER INCOME

	Group 2015 S$'000	Group 2014 S$'000
Leasing income	234	364
Diesel consumed by service partners	351	481
Port rebate	641	669
Interest income from banks	86	24
Demurrage/port/terminal handling charges	25	348
Government grant	89	160
Management fee income from joint venture partner	53	80
Others	691	493
	2,170	2,619

6. SALARIES AND EMPLOYEE BENEFITS

	Group 2015 S$'000	Group 2014 S$'000
Salaries and bonuses (including directors' fees)	21,957	22,823
Central Provident Fund contributions	1,716	1,571
Share based payments	3,261	2,993
Other benefits	3,923	4,830
	30,857	32,217

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.

On 16 February 2015, the Company made an offer to grant the 3,557,000 share options at the exercise price of S$0.2863 per share, to the eligible participants under the RGSOS. 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 16 February 2020.

No share was issued under the RGSOS during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

6. SALARIES AND EMPLOYEE BENEFITS (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:

	2015 No. '000	2015 WAEP S$	2014 No. '000	2014 WAEP S$
Outstanding at 1 January	8,584	0.36	6,717	0.38
- Granted	3,557	0.11	1,867	0.26
- Lapsed and cancelled	(2,755)	(0.17)	–	–
Outstanding at 31 December	9,386	0.32	8,584	0.36
Exercisable at 31 December	4,586	0.38	4,532	0.36

- The weighted average fair value of options granted during the financial year was S$0.11 (2014: S$0.26).
- No option was exercised during the financial year.
- The range of exercise prices for options outstanding at the end of the year was S$0.2863 to S$0.505 (2014: S$0.321 to S$0.505). The weighted average remaining contractual life of these options is 5 years (2014: 5 years).

Fair value of share options

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 2015 and 2014:

	16 February 2015	26 February 2014
Dividend yield (%)	0.00	0.00
Expected volatility (%)	50.3	51.6
Risk-free interest rate (% p.a.)	1.31	1.05
Expected life of option (years)	4.0	3.0
Share price as of valuation date (S$)	0.285	0.58

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

6. SALARIES AND EMPLOYEE BENEFITS (CONT'D)

Share Awards

On 16 February 2015 and 10 August 2015, the Company granted 5,335,000 and 5,802,000 share awards (other than controlling shareholder and their associates) under the RGPSP respectively.

The share awards will be released as follows:

- For share awards granted on 16 February 2015, the share awards will be vested over three years from the grant date in equal one third proportion of the total share awards granted;

- For share awards granted on 10 August 2015, the share awards will be vested over three years in four tranches on the following dates:

  25 August 2015 - 30%
  10 August 2016 - 30%
  10 August 2017 - 20%
  10 August 2018 - 20%

  On the same date, the Company granted 1,200,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya, which will be subject to shareholders' approval at the coming Annual General Meeting ("AGM").

At the 30 April 2015 AGM, the shareholders approved the grant of 624,000 shares awards to Mr Aditya Wisnuwardana Seky Soeryadjaya.

During the year, the Company vested 7,145,196 (2014: 4,121,000) by way of allotment of new shares under the RGPSP. At the end of the reporting period, the total number of outstanding share awards and bonus awards granted by the Company to the employees and Directors amounted to 13,167,000 (2014: 8,898,000).

Fair value of share awards

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	
	2015 S$'000	**2014 S$'000**
Interest expense – loans and borrowings	64	312
Finance charges – finance lease obligations	166	243
Accretion of interest on abandonment and site restoration liabilities (Note 26)	57	–
Accretion of interest for long term receivables	–	290
	287	845

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

8. (a) Other operating expenses

The following items have been included in the arriving at other operating expenses:

	Group	
	2015 S$'000	**2014 S$'000**
Audit fees paid to auditors of the Company	146	190
Non-audit fees paid to auditors of the Company	108	112
Audit fees paid to other auditors	165	148
Write back of allowance for doubtful trade receivables (Note 18)	(47)	(434)
Allowance for doubtful other receivables (Note 19)	3,591	–
Impairment loss on oil and gas properties (Note 11)	14,764	–
Impairment of property, plant and equipment	–	16
Impairment loss on intangible assets	–	659
Property, plant and equipment written-off	26	–
Gain on disposal of property, plant and equipment	(161)	(16)
Intangible assets written off	–	24
Net foreign exchange loss/(gain)	55	(525)
Rental expenses – office	786	697
Legal and other professional fees	3,354	1,616

8. (b) Loss before tax

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

	Group	
	2015 S$'000	**2014 S$'000**
Rental expenses – warehouse and leasehold building	4,232	4,230
Lease of transport equipment and ISO tanks	2,209	3,619
Upkeep of transport equipment	6,417	7,279

9. INCOME TAX

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

	Group	
	2015 S$'000	**2014 S$'000**
Consolidated income statement:		
Current income tax		
- Current year	291	166
- (Over)/under provision in respect of prior years	(114)	62
Deferred income tax		
- Origination and reversal of temporary differences (Note 27)	(2,047)	(24)
Income tax (credit)/expense	(1,870)	204

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

9. INCOME TAX (CONT'D)

(b) Relationship between tax (credit)/expenses and accounting loss

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

	Group	
	2015	**2014**
	S$'000	**S$'000**
Loss before tax	(30,433)	(12,168)
Tax at domestic rates applicable to losses in the countries in which the Group operates	(2,215)	(811)
Adjustments for tax effects of:		
Expenses non-deductible for tax purposes	1,716	1,097
Income not subject to taxation	(644)	(126)
Tax exempt profits/rebates	(695)	(331)
(Over)/under provision in respect of prior years	(114)	62
Deferred tax assets not recognised	20	504
Deferred tax on qualifying capital expenditure	–	(254)
Others	62	63
Income tax (credit)/expense	(1,870)	204

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 prepaid corporate taxes.

10. BASIC AND DILUTED LOSS PER SHARE

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

	Group	
	2015	**2014**
	S$'000	**S$'000**
Loss net of tax attributable to owners of the Company used in the computation of basic/diluted loss per share	(28,161)	(11,930)
	No. of shares	**No. of shares**
Weighted average number of ordinary shares for basic/diluted loss per share computation	447,288,189	367,702,195
Basic/diluted loss per share attributable to owners of the Company (cents per share)	(6.30)	(3.24)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

10. BASIC AND DILUTED LOSS PER SHARE (CONT'D)

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 2015 and 31 December 2014.

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

(i) The Company granted 10,679,500 (other than to controlling shareholders and their associates) and 5,120,000 shares awards and share options at the exercise price of S$0.1786 under the RGPSP and RGSOS respectively on 1 March 2016. The share awards were vested on 4 March 2016 and the share options will be vested on 1 March 2017 with a 5-year exercise period;

(ii) On the same day, the Company granted 62,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya, which will be subject to shareholder's approval at the coming AGM; and

(iii) Pursuant to the RGPSP, the Company vested 1,817,000, 773,000, 10,679,500 and 870,000 by way of allotment of new shares on 16 February 2016, 26 February 2016, 4 March 2016 and 22 March 2016 respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

Group	ISO tanks S$'000	Office equipment S$'000	Furniture and fittings S$'000	Reno-vation S$'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 2014	3,085	3,379	1,467	978	16	120	14,471	23,516	29,070	52,586
Additions	–	304	230	136	12	42	493	1,217	57	1,274
Disposals	(2,652)	(1)	–	–	–	–	–	(2,653)	–	(2,653)
Reclassifications	–	101	–	–	8	–	–	109	(109)	–
Net exchange differences	135	4	–	3	–	1	113	256	1,257	1,513
Transfers	–	–	–	–	–	–	–	–	(7)	(7)
Classified as assets held for sale	(568)	–	–	–	–	–	–	(568)	–	(568)
At 31 December 2014 and 1 January 2015	–	3,787	1,697	1,117	36	163	15,077	21,877	30,268	52,145
Additions	–	165	340	491	–	11	387	1,394	324	1,718
Disposals	–	(8)	–	–	–	–	(532)	(540)	–	(540)
Change in ASR provision	–	–	–	–	–	–	–	–	(137)	(137)
Transfers (Note 13)	–	–	–	–	–	–	–	–	30,444	30,444
Written off	–	(644)	(48)	(143)	–	(11)	–	(846)	–	(846)
Net exchange differences	–	8	4	(2)	–	(1)	(149)	(140)	2,036	1,896
At 31 December 2015	–	3,308	1,993	1,463	36	162	14,783	21,745	62,935	84,680

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

Group	ISO tanks S$'000	Office equipment S$'000	Furniture and fittings S$'000	Reno-vation S$'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
Accumulated depreciation and impairment loss:										
At 1 January 2014	699	2,872	973	615	13	90	8,552	13,814	4,266	18,080
Charge for the financial year	36	366	169	118	3	27	1,472	2,191	476	2,667
Disposals	(614)	(1)	–	–	–	–	–	(615)	–	(615)
Impairment	–	6	–	10	–	–	–	16	–	16
Reclassifications	–	100	(1)	–	1	–	–	100	(100)	–
Net exchange differences	49	(15)	–	1	–	–	12	47	224	271
Classified as assets held for sale	(170)	–	–	–	–	–	–	(170)	–	(170)
At 31 December 2014 and 1 January 2015	–	3,328	1,141	744	17	117	10,036	15,383	4,866	20,249
Charge for the financial year	–	271	231	216	3	30	1,338	2,089	233	2,322
Impairment	–	–	–	–	–	–	–	–	14,764	14,764
Disposals	–	(7)	–	–	–	–	(512)	(519)	–	(519)
Net exchange differences	–	13	2	2	–	(1)	(50)	(34)	720	686
Written off	–	(643)	(38)	(128)	–	(11)	–	(820)	–	(820)
At 31 December 2015	–	2,962	1,336	834	20	135	10,812	16,099	20,583	36,682
Net carrying amount:										
At 31 December 2014	–	459	556	373	19	46	5,041	6,494	25,402	31,896
At 31 December 2015	–	346	657	629	16	27	3,971	5,646	42,352	47,998

During the financial year, the Group had made additional provision for reinstatement of S$274,000 (2014: S$Nil) (Note 23) which was included in the additions to renovation.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

	Renovation S$'000	Transport equipment S$'000	Office equipment S$'000	Total S$'000
Company				
Cost:				
At 1 January 2014	31	508	73	612
Additions	–	–	8	8
At 31 December 2014 and 1 January 2015	31	508	81	620
Additions	19	–	62	81
Disposals	–	–	(6)	(6)
At 31 December 2015	50	508	137	695
Accumulated depreciation:				
At 1 January 2014	8	103	56	167
Charge for the financial year	8	102	9	119
At 31 December 2014 and 1 January 2015	16	205	65	286
Charge for the financial year	12	102	14	128
Disposals	–	–	(6)	(6)
At 31 December 2015	28	307	73	408
Net carrying amount:				
At 31 December 2014	15	303	16	334
At 31 December 2015	22	201	64	287

Impairment loss on oil and gas properties

During the financial year, the Group carried out an annual review of recoverable amount of the Group's oil and gas properties in the Jatirarangon block. An impairment loss of S$14,764,000 (2014: S$Nil) representing the write down of the production equipment properties to the recoverable amount was recognised in 'other operating expenses' (Note 8a). The recoverable amount of the production equipment properties was based on its value in use and the pre-tax discount rate used was 10.5% (2014: 8%) per annum.

Impairment of property, plant and equipment

In the previous year, a subsidiary of the Group within the logistics segment fully impaired its office equipment and renovation upon cessation of its business.

Oil and gas properties

On 10 August 2015, the Group obtained its Plan of Development for the Lemang block. As such, S$30,444,000 of exploration and evaluation assets relating to the Lemang block was reclassified to oil and gas properties.

In October 2015, the Group entered into an arrangement with Mandala Lemang Singapore Pte Ltd ("Mandala") whereby the Group, through its 80.4% owned subsidiary, PT Hexindo Gemilang Jaya ("Hexindo") farm-out 35% of its participation interest in the Lemang Production Sharing Contract ("Lemang PSC"). On the same date, the Group has entered into a back-to-back agreement with Eastwin Global Investments Limited ("Eastwin") to acquire its 15% participating interest in the Lemang PSC, which resulted in a farm-out of net 20% participating interest in the Lemang PSC at total net consideration of up to US$102.6 million. At the end of the reporting period, the transactions were not completed due to pending satisfaction of certain conditions precedent.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

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

Assets held under finance leases

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

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Cost	–	208	–	8
Consideration paid in cash	–	–	–	–
Amount under finance lease	–	208	–	8
Net carrying amount of assets at end of year held under finance leases	3,208	4,335	187	312

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.

12. INTANGIBLE ASSETS

Group	Goodwill S$'000	Software S$'000	Customer relationship S$'000	Total S$'000
Cost:				
At 1 January 2014	1,800	1,579	180	3,559
Additions	–	1,194	–	1,194
Written off	–	(24)	–	(24)
Transfer	–	7	–	7
Net exchange differences	–	10	–	10
At 31 December 2014 and 1 January 2015	1,800	2,766	180	4,746
Written off	(807)	(16)	(180)	(1,003)
Net exchange differences	–	2	–	2
At 31 December 2015	993	2,752	–	3,745
Accumulated amortisation and impairment:				
At 1 January 2014	250	996	108	1,354
Charge for the financial year	–	330	36	366
Impairment	557	66	36	659
Net exchange differences	–	5	–	5
At 31 December 2014 and 1 January 2015	807	1,397	180	2,384
Charge for the financial year	–	156	–	156
Written off	(807)	(16)	(180)	(1,003)
At 31 December 2015	–	1,537	–	1,537
Net carrying amount:				
At 31 December 2014	993	1,369	–	2,362
At 31 December 2015	993	1,215	–	2,208

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

12. INTANGIBLE ASSETS (CONT'D)

Amortisation expense

The amortization of software and customer relationship is included in the "depreciation and amortization expenses" line item in the consolidated income statement.

In the prior year, an impairment charge of S$659,000 was recognised on the goodwill on acquisition of Richland Chemical Logistics ("RCL") and its software and customer relationships. During the year, the Group had written off these assets as a result of cessation of business activities.

In the previous financial year, the Group acquired certain software with an aggregate cost of S$1,110,000 by means of finance lease, which are guaranteed by the Company. There was no cash outflow on acquisition of the software.

Impairment testing of goodwill

Goodwill acquired through business combinations has been allocated to the following cash generating unit ("CGU"):

	Group	
	2015 S$'000	2014 S$'000
PT Hexindo Gemilang Jaya	993	993

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 13.3% (2014: 10%) per annum.

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 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 and the production cost per barrel are based on management assumption and the forecast from the operation.

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.

Sensitivity to changes in assumptions

With regards to the assessment of value in use for PT Hexindo Gemilang Jaya, 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.

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For the financial year ended 31 December 2015

12. INTANGIBLE ASSETS (CONT'D)

	Software S$'000
Company	
Cost:	
At 1 January 2014	257
Written off	(24)
At 31 December 2014 and 1 January 2015 and 31 December 2015	233
Accumulated amortisation and impairment:	
At 1 January 2014	23
Charge for the financial year	76
At 31 December 2014 and 1 January 2015	99
Charge for the financial year	76
At 31 December 2015	175
Net carrying amount:	
At 31 December 2014	134
At 31 December 2015	58

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	
	2015 S$'000	2014 S$'000
Cost		
As at 1 January	45,340	37,023
Additions during the financial year	6,528	6,678
Transferred to oil and gas properties (Note 11)	(30,444)	–
Net exchange differences	3,178	1,639
	24,602	45,340

14. INVESTMENTS IN SUBSIDIARIES

	Company	
	2015 S$'000	2014 S$'000
Unquoted shares, at cost	4,148	4,148
Less: Impairment loss	(1,255)	(1,050)
	2,893	3,098

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) ***Composition of the Group***

The Group has the following investments in subsidiaries:

Name	Principal activities	Country of incorporation	Cost 2015 S$'000	Cost 2014 S$'000	Effective equity interest 2015 %	Effective equity interest 2014 %
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	500	500	100	100
			4,148	4,148		

Name	Principal activities	Country of incorporation	Effective equity interest 2015 %	Effective equity interest 2014 %
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
* 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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) ***Composition of the Group (cont'd)***

Name	Principal activities	Country of incorporation	Effective equity interest 2015 %	Effective equity interest 2014 %
Held through RichLand Project Logistics Pte Ltd:				
** PT. RichLand Indonesia	Investment holding	Indonesia	1	1
Held through RichLand Chemical Logistics Pte Ltd:				
@@ RichLand Chemical Logistics Sdn Bhd	Provision of logistics, transportation and freight forwarding services for the chemical industry	Malaysia	100	100
Held through RichLand Logistics Services Pte Ltd:				
* RichLand Commercial Properties Pte Ltd	Provision of real estate management services	Singapore	100	–
Held through REL Oil & Gas Pte Ltd:				
## Ramba Energy Investment Limited	Investment holding	British Virgin Islands	100	100
Held through Ramba Energy Investment Limited:				
## Ramba Energy Indonesia Limited	Investment holding	British Virgin Islands	100	100
Held through Ramba Energy Indonesia Limited:				
## Ramba Energy Exploration Ltd	Investment holding	British Virgin Islands	100	100
## Ramba Resource Services Limited	Investment holding	British Virgin Islands	100	100
Held through Ramba Energy Exploration Ltd:				
** Ramba Energy West Jambi Limited	Exploration and production of oil and gas	British Virgin Islands	100	100
## Ramba Energy Lemang Limited	Investment holding	British Virgin Islands	100	100
** Ramba Energy Jatirarangon Limited	Exploration and production of oil and gas	Bermuda	100	100
## Ramba Energy Corridor Limited	Investment holding	British Virgin Islands	100	100

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) ***Composition of the Group (cont'd)***

Name	Principal activities	Country of incorporation	Effective equity interest 2015 %	2014 %
Held through Ramba Energy Lemang Limited:				
** PT Hexindo Gemilang Jaya	Exploration and production of oil and gas	Indonesia	80.4	80.4

^ 51% of the shares are being held by PT Lumbung Surya Putra, which in turn has pledged its shares to RichLand Global Pte Ltd

@ The subsidiary was in liquidation process and therefore was not required to be audited. The subsidiary was subsequently struck off in February 2016

@@ The subsidiary was in liquidation process and therefore was not required to be audited

Audited by:

* Ernst & Young LLP, Singapore

** Ernst & Young, Indonesia

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.

(b) ***Interest in subsidiary with material non-controlling interest ("NCI")***

The NCI of PT Hexindo Gemilang Jaya has 19.6% (2014: 19.6%) interest in PT Hexindo Gemilang Jaya as at the end of the reporting period.

	PT Hexindo Gemilang Jaya 2015 S$'000	2014 S$'000
Loss allocated to NCI during the reporting period	402	442
Accumulated NCI at the end of the reporting period – accumulated losses	1,731	1,248

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(c) ***Summarised financial information about subsidiary with material NCI***

Summarised financial information including goodwill on acquisition and consolidation adjustments but before intercompany eliminations of subsidiary with material NCI are as follows:

Summarised statement of financial position

	PT Hexindo Gemilang Jaya 2015 S$'000	2014 S$'000
Current		
Assets	7,847	1,340
Liabilities	(6,478)	(7,924)
Net current assets/(liabilities)	1,369	(6,584)
Non-current		
Assets	33,007	30,339
Liabilities	(43,220)	(30,135)
Net non-current (liabilities)/assets	(10,213)	204
Net liabilities	(8,844)	(6,380)

Summarised statement of comprehensive loss

	PT Hexindo Gemilang Jaya 2015 S$'000	2014 S$'000
Loss before income tax	2,054	2,254
Other comprehensive (income)/loss	(95)	69
Total comprehensive loss	1,959	2,323

Other summarised information

	PT Hexindo Gemilang Jaya 2015 S$'000	2014 S$'000
Net cash flow used in operations	6,688	5,269
Acquisition of exploration and evaluation assets	411	2,302

NOTES TO THE FINANCIAL STATEMENTS
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14. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Movement in provision for impairment was as follows:

	Company	
	2015	**2014**
	S$'000	**S$'000**
As at 1 January	(1,050)	(1,050)
Impairment loss during the year	(205)	–
Balance at 31 December	(1,255)	(1,050)

Impairment loss recognised

During the current financial year, an impairment loss of S$205,000 (2014: S$Nil) was recognised to write down the carrying value of the investment in RBC Properties Pte Ltd to its recoverable amount.

15. ASSETS HELD FOR SALE

	Group	
	2015	**2014**
	S$'000	**S$'000**
As at 1 January	398	–
Transfer	–	398
Net exchange difference	17	–
Disposal	(415)	–
Balance at 31 December	–	398

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 fixed repayment terms 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. OTHER ASSETS

	Group	
	2015	**2014**
	S$'000	**S$'000**
Current		
Leased assets	10	22
Non-current		
Leased assets	12	10
Deferred costs	–	81
	12	91

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.

Deferred costs referred to costs attributable to developing commercial reserves, which were pending relevant authorities' appraisal. During the year, these costs were written off to 'other operating expenses' in the income statement.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

18. TRADE RECEIVABLES

	Group		Company	
	2015	**2014**	**2015**	**2014**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Third party customers	14,515	16,050	–	–
Less: Allowance for doubtful trade receivables	(15)	(68)	–	–
Total trade receivables	14,500	15,982	–	–
Other receivables (Note 19)	7,226	7,785	58,486	45,614
Loans to subsidiaries (Note 16)	–	–	36,165	38,992
Cash and cash equivalents (Note 20)	11,532	3,790	1,288	250
Total loans and receivables	33,258	27,557	95,939	84,856

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.

Trade receivables that are past due but not impaired

The Group has trade receivables amounting to S$8,248,000 (2014: S$5,197,000) 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 is as follows:

	Group	
	2015	**2014**
	S$'000	**S$'000**
Trade receivables past due but not impaired:		
Less than 30 days	5,383	3,352
30 to 60 days	1,946	1,526
61 to 90 days	463	235
91 to 120 days	141	30
More than 120 days	315	54
	8,248	5,197

Trade receivables that are impaired

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 are as follows:

	Group Individually impaired	
	2015	**2014**
	S$'000	**S$'000**
Trade receivables - nominal amounts	15	68
Less: Allowance for doubtful trade receivables	(15)	(68)
	–	–
Movement in allowance for doubtful trade receivables:		
At 1 January	68	494
Write back for the year (Note 8(a))	(47)	(434)
Utilised during the year	(5)	(4)
Exchange difference	(1)	12
At 31 December	15	68

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For the financial year ended 31 December 2015

18. TRADE RECEIVABLES (CONT'D)

Trade receivables that are impaired (cont'd)

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	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Current				
Refundable deposits	1,399	1,569	106	100
Due from joint venture partner	–	262	–	–
Due from subsidiaries	–	–	58,380	45,514
Deferred rent receivable	65	133	–	–
Due from related party	306	286	–	–
Cash calls due from related party	2,091	1,955	–	–
Cash call advance to joint venture partner	2,958	–	–	–
Sundry receivables	330	474	–	–
Disbursements due from customers	34	29	–	–
	7,183	4,708	58,486	45,614
Non-current				
Due from joint venture partner	–	3,429	–	–
Other receivables	3,075	2,591	–	–
	3,075	6,020	–	–
Total other receivables	10,258	10,728	58,486	45,614
Comprises of:				
Financial assets	7,226	7,785	58,486	45,614
Non-financial assets	3,032	2,943	–	–
	10,258	10,728	58,486	45,614

Due from joint venture partner

Amounts due from joint venture partner referred to advances made for the joint venture partner's share of expenditure on the Ramba Energy Jatirarangon Limited's block. This was supposed to be paid through the joint venture partner's entitlement portion based on the funding agreement between the subsidiary and the joint venture partner. During the year, the Group recognised an allowance on doubtful receivables of S$3,591,000 (2014: S$Nil) for the advances made to the joint venture partner.

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For the financial year ended 31 December 2015

19. OTHER RECEIVABLES (CONT'D)

Other receivables that are impaired

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

	Group Individually impaired	
	2015 S$'000	2014 S$'000
Other receivables - nominal amounts	3,591	–
Less: Allowance for doubtful other receivables	(3,591)	–
	–	–
Movement in allowance for doubtful other receivables:		
At 1 January	–	–
Allowance for the year (Note 8(a))	3,591	–
At 31 December	3,591	–

Due from subsidiaries

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.

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 Gemilang Jaya, are non-trade in nature, secured by shares in a subsidiary, non-interest bearing and expected to be repayable within the next twelve months.

Cash call advance to joint venture partner

The amount is non-trade in nature, unsecured, non-interest bearing and expected to be repayable within the next twelve months.

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Cash on hand and at bank	11,532	3,790	1,288	250
Fixed deposits	2,423	2,478	–	–
Less: Restricted cash classified as non-current assets	(2,423)	(2,478)	–	–
	–	–	–	–
Cash and cash equivalents	11,532	3,790	1,288	250

Fixed deposits earn interest at 0.2% to 0.6% (2014: 0.265% to 0.325%) 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 2015 are S$2,385,000 (2014: S$1,699,000) and S$5,207,000 (2014: S$721,000) in Indonesian Rupiah ("IDR") and United States Dollars ("USD") respectively.

21. TRADE PAYABLES

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Third party suppliers	13,953	13,802	–	–
Accrued operating expenses	4,621	4,428	–	–
Total trade payables	18,574	18,230	–	–
Other payables (Note 22)	13,433	10,342	4,524	3,834
Loans and borrowings (Note 24)	4,242	2,633	–	2,633
Finance lease liabilities (Note 25)	2,471	3,920	187	261
Total financial liabilities carried at amortised cost	38,720	35,125	4,711	6,728

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

Trade payables denominated in foreign currencies other than the subsidiaries' respective functional currencies as at 31 December 2015 are S$4,000 (2014: S$67,000) and S$1,286,000 (2014: S$1,344,000) in SGD and IDR respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

22. OTHER PAYABLES

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Current				
Cash calls advanced from joint venture partner	–	1,454	–	–
Amount due to subsidiaries	–	–	68	62
Amount due to directors	57	200	57	200
Accrued salaries and employee benefits	5,085	4,406	2,775	1,859
Sundry payables	3,570	2,897	1,624	1,713
Security deposits from tenants	946	1,150	–	–
Deferred rent payable	197	168	–	–
Advances received from third parties	3,397	1,223	–	–
Advance billing to tenants	172	294	–	–
	13,424	11,792	4,524	3,834
Non-current				
Deferred rent payable	271	688	–	–
Amount due to a related party	2,091	1,955	–	–
Production bonus	206	172	–	–
	2,568	2,815	–	–
Total other payables	15,992	14,607	4,524	3,834
Comprises of:				
Financial liabilities	13,433	10,342	4,524	3,834
Non-financial liabilities	2,559	4,265	–	–
	15,992	14,607	4,524	3,834

Cash calls advances from joint venture partner

The cash calls advances from joint venture partner were non-trade in nature, unsecured and non-interest bearing.

Amounts due to subsidiaries/directors

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

Advances received from third parties

Included in advances received from third parties was an amount of US$1.47 million (equivalent to S$2,091,000) relating to the exploration and evaluation activities of the West Jambi block. In May 2015, the Group entered into an investment agreement with this third party, in which the third party will make advances to the Group of an amount of US$4 million, but not more than US$6 million for exploration and evaluation activities of West Jambi block and US$1 million for general and administrative costs. These advances are non-interest bearing, have no fixed term of repayment and are denominated in USD. These advances have a conversion feature which entitles the third party to convert the loan into shares of Ramba Energy West Jambi Limited only when the third party has disbursed the stipulated advances to the Group in full. At the end of the reporting period, the third party have not made the full amount of such advances to the Group. The option to convert expired on 28 February 2016 and has been extended till August 2016.

Amount due to a related party (non-current)

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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

23. PROVISIONS

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Current				
Provision for cargo and motor vehicles claims	631	429	–	–
Provision for reinstatement costs	64	–	–	–
	695	429	–	–
Non-current				
Provision for employee benefits (Note 32)	1,162	850	–	–
Provision for reinstatement costs	700	386	39	39
	1,862	1,236	39	39

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

	Group	
	2015 S$'000	2014 S$'000
Balance at 1 January	429	266
Provision made during the financial year	421	352
Utilised during the financial year	(219)	(189)
Balance at 31 December	631	429

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 are as follows:

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Balance at 1 January	386	386	39	39
Provision made during the financial year	404	–	–	–
Utilised during the year	(26)	–	–	–
Balance at 31 December	764	386	39	39

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

The provision for reinstatement cost made during the financial year included an amount of S$130,000 that was directly expensed to the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

24. LOANS AND BORROWINGS

	Group		Company	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Loan A	4,242	–	–	–
Loan B	–	2,633	–	2,633
Balance at 31 December	4,242	2,633	–	2,633
Representing:				
Due within one year	170	2,633	–	2,633
Due later than one year but not later than five years	4,072	–	–	–
Balance at 31 December	4,242	2,633	–	2,633

Loan A

During the year, a financial institution granted a US$10 million loan facility at an interest rate of 10% per annum, to Ramba Energy Lemang Limited ("RELL"), BVI, a wholly-owned subsidiary. The facility is for working capital needs in relation to the exploration and development activities of the Group.

At the end of the reporting period, US$3 million (equivalent to S$4,242,000) had been drawn down from the facility and will be repayable over 25 instalments of US$120,000 commencing from December 2016 with final repayment on December 2018. The loan bears an effective interest of 10% (2014: Nil) per annum.

The loan is secured by way of a fixed charge over the subsidiary's operating accounts, a share charge over the Group's equity share in RELL, a corporate guarantee by the Company and personal guarantee provided by related party, Edward Seky Soeryadjaya.

The Company also entered into an option agreement with the financial institution, subject to satisfaction of condition precedents, in which the Company will grant up to 15 million of the call options. At the end of the reporting period, the precedent conditions have not been met. Upon satisfaction of the conditions, the number of options granted will be prorated to the loan amount drawn down at an the exercise price equal to 90% of the trailing volume weighted average price of each share for the trading day immediately preceding the exercise date. The option is exercisable only in 2018.

The facility mandated oil hedge over a portion of the Group's net entitlement during the term of the facility period.

Loan B

In the previous year, the loan was provided by Ortus Holdings Limited, a related party, which bore an effective interest rate of 5% (2014: 5%) per annum. The loan was repaid in full during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

25. FINANCE LEASE LIABILITIES

The Group purchased certain software, 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 (2014: 2018) and the effective interest rates range from 2.9% to 12.8% (2014: 2.9% 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:

	Total minimum lease payments 2015 S$'000	Present value of payments 2015 S$'000	Total minimum lease payments 2014 S$'000	Present value of payments 2014 S$'000
Group				
Not later than one year	1,439	1,341	1,616	1,450
Later than one year but not later than five years	1,171	1,130	2,605	2,470
Total minimum lease payments	2,610	2,471	4,221	3,920
Less: Amount representing finance charges	(139)	–	(301)	–
Present value of minimum lease payments	2,471	2,471	3,920	3,920
Company				
Not later than one year	83	76	83	74
Later than one year but not later than five years	114	111	197	187
Total minimum lease payments	197	187	280	261
Less: Amount representing finance charges	(10)	–	(19)	–
Present value of minimum lease payments	187	187	261	261

26. 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 up to year 2020 for Jatirarangon block and up to year 2037 for Lemang PSC 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 2015 was 10.5% to 13.3% (2014: 6.0% to 10.0%) per annum. 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.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

26. ABANDONMENT AND SITE RESTORATION LIABILITIES (CONT'D)

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

	Group 2015 S$'000	Group 2014 S$'000
Balance at 1 January	743	623
Provision made during the financial year	–	92
Accretion during the year (Note 7)	57	–
Exchange differences	51	34
Changes in assumption	(136)	–
Less: cash set aside during the financial year	(6)	(6)
Balance at 31 December	709	743

27. DEFERRED TAX

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

	Group			
	Consolidated statement of financial position		Consolidated income statement	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Deferred tax liabilities:				
Differences in depreciation	–	–	–	(119)
Oil and gas properties	(5,220)	(6,826)	(2,045)	305
	(5,220)	(6,826)	(2,045)	186
Deferred tax assets:				
Difference in timing of allowance recognition	212	210	(2)	(210)
Provisions	91	91	–	–
	303	301	(2,047)	(24)

As at the end of the reporting period, the Group has unutilised tax losses and unabsorbed capital allowances of approximately S$4,402,000 (2014: S$3,821,000) and S$300,000 (2014: S$1,629,000) 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.

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 2015 S$'000	Group 2014 S$'000
Can be utilised up to:		
- 2016	142	147
- 2017	337	348
- 2018	935	964
- 2019	254	261
	1,668	1,720

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

28. SHARE CAPITAL AND TREASURY SHARES

(a) *Share capital*

	Group and Company			
	2015		2014	
	No. of shares '000	S$'000	No. of shares '000	S$'000
Issued and fully paid ordinary shares				
At 1 January	387,069	101,133	345,448	84,263
New share issuance	77,000	21,240	37,500	15,000
New share issuance for share awards	7,145	1,741	4,121	1,923
Share issuance expense	–	(513)	–	(53)
At 31 December	471,214	123,601	387,069	101,133

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 an employee share option plan under which options to subscribe for the Company's ordinary shares have been granted to employees of the Group (Note 6).

(b) *Treasury shares*

	Group and Company			
	2015		2014	
	No. of shares '000	S$'000	No. of shares '000	S$'000
At 1 January and 31 December	1,807	(935)	1,807	(935)

Treasury shares relate to ordinary shares of the Company that is held by the Company.

29. 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

29. OTHER RESERVES (CONT'D)

(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.

30. RELATED PARTY TRANSACTIONS

(a) ***Compensation of key management personnel***

	Group	
	2015 S$'000	2014 S$'000
Directors' fees	448	411
Directors' remuneration	1,362	1,546
Share based payments	2,166	2,083
	3,976	4,040
Key management personnel's remuneration	2,338	2,251
Central Provident Fund contributions	15	20
Share based payments	723	494
	3,076	2,765
	7,052	6,805

Directors' interests in share based payment scheme

During the financial year, 3,557,000 (2014: 1,867,000) and 7,483,000 (2014: 1,590,000) share options and share 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 within the range of S$0.2863 to S$0.505.

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 amounted to 9,385,766, 4,422,000 and 3,813,944 (2014: 8,584,000, 3,438,000, and 2,413,000) respectively.

(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	
	2015 S$'000	2014 S$'000
Legal, secretarial fees, share registrar and corporate communication services payable to a firm of which a Director is the managing partner	848	257
Interest expense payable to Ortus Holdings Limited, an entity with common controlling shareholders, which is due upon repayment of the full loan	60	301
Rental of office space payable to a firm related to the Group	443	425

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

30. RELATED PARTY TRANSACTIONS (CONT'D)

(c) ***Due from related party/cash calls due from/(to) related party***

The Group has amounts due from/(to) 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 amounts due from/(to) the related party are disclosed in Notes 19 and 22 of the financial statements.

31. 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.

	Oil and gas S$'000	Logistics S$'000	Rental S$'000	Corporate S$'000	Eliminations/ adjustments S$'000	Total S$'000	Note
2015							
Revenue:							
Sales to external customers	2,866	58,332	3,388	–	–	64,586	
Other income	40	2,068	34	28	–	2,170	
Inter-segment sales	–	42	792	32	(866)	–	A
Total revenue	2,906	60,442	4,214	60	(866)	66,756	
Segment (loss)/profit	(26,471)	3,119	1,055	(7,849)	–	(30,146)	
Finance costs						(287)	
Loss before tax						(30,433)	
Tax credit						1,870	
Net loss for the year						(28,563)	

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

31. SEGMENT INFORMATION (CONT'D)

	Oil and gas S$'000	Logistics S$'000	Rental S$'000	Corporate S$'000	Eliminations/ adjustments S$'000	Total S$'000	Note
2015							
Interest income	–	75	10	1	–	86	
Depreciation and amortization expenses	284	1,823	167	204	–	2,478	
Impairment loss on oil and gas properties	14,764	–	–	–	–	14,764	
Other non-cash expenses	3,997	3	29	2,641	–	6,670	B
Other segment information							
Segment assets	81,420	26,245	4,454	1,962	1,296	115,377	C
Segment liabilities	22,916	12,931	4,015	4,683	5,354	49,899	D
Additions to non-current assets	6,852	922	117	81	–	7,972	

	Oil and gas S$'000	Logistics S$'000	Rental S$'000	Corporate S$'000	Eliminations/ adjustments S$'000	Total S$'000	Note
2014							
Revenue:							
Sales to external customers	4,697	65,869	3,842	–	–	74,408	
Other income	62	2,525	14	18	–	2,619	
Inter-segment sales	–	74	219	39	(332)	–	A
Total revenue	4,759	68,468	4,075	57	(332)	77,027	
Segment (loss)/profit	(3,271)	1,464	(6)	(8,881)	(629)	(11,323)	
Finance costs						(845)	
Loss before tax						(12,168)	
Tax expense						(204)	
Net loss for the year						(12,372)	

	Oil and gas S$'000	Logistics S$'000	Rental S$'000	Corporate S$'000	Eliminations/ adjustments S$'000	Total S$'000	Note
2014							
Interest income	–	22	2	–	–	24	
Depreciation and amortization expenses	518	2,153	129	197	36	3,033	
Impairment of non-financial assets	–	80	–	2	593	675	
Other non-cash expenses/(income)	352	(149)	26	2,336	–	2,565	B
Other segment information							
Segment assets	82,590	25,581	4,282	978	1,294	114,725	C
Segment liabilities	17,561	15,410	4,584	4,243	7,001	48,799	D
Assets held for sale	–	398	–	–	–	398	
Additions to non-current assets	6,875	2,228	35	8	–	9,146	

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

31. SEGMENT INFORMATION (CONT'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/(income) consist of share based payment, gains and losses on disposal of property, plant and equipment and intangible assets, allowance/write back for doubtful receivables and plant and equipment and intangible assets written off.

C The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	Group	
	2015 S$'000	2014 S$'000
Deferred tax assets	303	301
Goodwill	993	993
	1,296	1,294

D The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

Deferred tax liabilities	5,220	6,826
Income tax payable	134	175
	5,354	7,001

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
2015			
Revenue	40,238	26,518	66,756
Non-current assets	6,682	73,942	80,624
2014			
Revenue	46,033	30,994	77,027
Non-current assets	6,885	81,606	88,491

Information about major customers

Revenue from 5 major customers amounted to S$43,081,000 (2014: 5 customers – S$46,899,000) arising from revenue of the logistics segment.

Revenue from 1 major customer amounted to S$2,866,000 (2014: 1 customer – S$4,697,000) arising from revenue of the oil and gas segment.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

32. 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 provides provision for employees' benefits based on the independent actuarial report of PT Padma Raya Aktuaria dated 8 January 2016 (2014: PT Sentra Jasa Aktuaria).

	Group	
	2015 S$'000	2014 S$'000
Defined benefit obligations at 31 December	1,162	850

Breakdown of the Group's defined benefit obligations were as follows:

	Group			
	Funded pension plan		Unfunded post-employment benefits	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
Present value of defined benefit obligations	291	241	1,149	763
Fair value of plan assets	(278)	(154)	–	–
Net liability arising from defined benefit obligations	13	87	1,149	763

Changes in present value of the defined benefit obligations were as follows:

	Group			
	Funded pension plan		Unfunded post-employment benefits	
	2015 S$'000	2014 S$'000	2015 S$'000	2014 S$'000
At 1 January	241	126	763	422
Interest cost	5	–	63	38
Current service cost	96	105	349	258
Actuarial gains arising from changes in financial assumptions	(44)	(3)	(221)	(9)
Past service cost	–	–	127	41
Plan amendments	–	7	–	–
Benefit paid	(3)	–	(7)	–
Exchange differences	(4)	6	75	13
At 31 December	291	241	1,149	763

Changes in fair value of plan assets were as follows:

	Group Funded pension plan	
	2015 S$'000	2014 S$'000
At 1 January	154	134
(Loss)/return on plan assets	(6)	7
Contributions	137	10
Exchange differences	(7)	3
At 31 December	278	154

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

32. DEFINED BENEFIT PLAN (CONT'D)

All the Group's plan assets are in the Indonesian entities' equities as at 31 December 2015 and 2014. The Group expects to contribute S$77,300 (2014: S$65,000) to the defined benefit pension plans in 2016 (2014: 2015).

The principal assumptions used in determining pension and post-employment benefit obligations for the defined benefit plan are shown below:

	2015	2014
Discount rates:	8.8% - 9.0%	7.7% - 8.0%
Expected annual rate of return on plan assets:	8.8%	7.7%
Future annual salary increases:	7.5% -10.0%	7.5%-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:	55 - 60	55 - 60

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.

33. 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	
	2015 S$'000	**2014 S$'000**
Capital commitments in respect of oil and gas exploration	53,107	54,406

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 (2014: 1 to 3 years).

(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 (2014: 1 to 5 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	
	2015 S$'000	**2014 S$'000**
Not later than one year	7,407	6,171
Later than one year but not later than five years	6,830	9,160
	14,237	15,331

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

33. COMMITMENTS (CONT'D)

(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 1 to 3 years (2014: 1 to 4 years). Future minimum rentals receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2015 S$'000	**2014 S$'000**
Not later than one year	1,886	3,266
Later than one year but not later than five years	355	2,194
	2,241	5,460

34. 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. On 12 February 2014, RBC lodged a Notice of Appeal.

On 17 December 2014, the Court of Appeal released its judgement and neither party has fully succeeded in the Appeal. The Court of Appeal will hear the parties on the issue of costs.

The parties' respective submissions for costs were submitted on 9 February 2015, where the Plaintiff indicated that they would be electing to rescind the Lease for a repudiatory breach of contract accompanied by a claim in damages for that breach.

The proceedings are presently at the assessment of damages stage and the hearing is fixed in August 2016 and September 2016. Meanwhile, the parties have each appointed quantum experts and exchanged their respective expert reports.

As the additional costs cannot be reasonably and reliably estimated, no additional provision has been made in the financial statement.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

34. CONTINGENCIES (CONT'D)

Contingent liabilities (cont'd)

(a) ***Legal claim (cont'd)***

(ii) In April 2012, a wholly-owned subsidiary, Ramba Energy West Jambi Limited ("REWJ") 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.

In September 2015, the Court released its oral judgment in which it dismissed the Plaintiffs claim and ruled that REWJ has no further obligation to the Plaintiff, including any obligation to refund the invested sum of US$1,000,000.

The oral judgment also further concluded that there was no breach of contract by REWJ; the Plaintiff shall pay REWJ's costs and Plaintiff was in repudiatory breach of the Agreement.

In October 2015, the Plaintiff filed an appeal of the Court decision.

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.

(iii) On 30 March 2015, Super Power Enterprise Group Ltd ("SPE") commenced arbitration proceedings against PT Hexindo Gemilang Jaya ("Hexindo"), an 80.4% owned subsidiary. Hexindo and SPE entered into a contractual joint venture established under a joint operating agreement ("JOA") on 13 October 2009. Under the JOA, Hexindo and SPE each held a 51% and 49% participating interests in Lemang PSC respectively.

However, SPE's interest was forfeited by the Government of Indonesia as a result of a supposed breach in JOA, which resulted in the eventual substitution by third party, Eastwin Global Investment Limited ("Eastwin").

SPE is seeking that the forfeiture and subsequent substitution with Eastwin were unlawful and the forfeiture provisions relied upon by Hexindo were allegedly penal and unenforceable. SPE is also suing Hexindo for damages, less any compensation due to Hexindo, plus interest up to the date of award.

No provision has been made during the year as the Group sees no merit in SPE's claims and it will vigorously defend its rights.

(b) ***Guarantees***

The Group has provided the following guarantees at the end of the reporting period.

(i) Guarantee to Pertamina of S$4.1 million (2014: 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 landlord on the rental obligation taken by subsidiaries of S$2.6 million (2014: S$2.4 million).

(iii) Guarantee to a vendor for a performance bond of S$0.2 million (2014: S$0.2 million).

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

34. CONTINGENCIES (CONT'D)

Contingent liabilities (cont'd)

(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.

35. 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 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.

(a) ***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,

– 98% (2014: 99%) of the Group's sales are denominated in the respective Group's entities' functional currencies; and

– Included in payables of the subsidiaries are the amounts of S$4,182,000 (2014: S$4,461,000) that are not denominated in the subsidiaries' functional currencies.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(a) ***Foreign currency risk (cont'd)***

Sensitivity analysis for foreign currency risk

A 5% (2014: 5%) strengthening of SGD and USD against IDR at the reporting date would have the impact as shown below. A 5% (2014: 5%) weakening of SGD and USD 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	
	2015 S$'000	**2014 S$'000**
SGD/IDR	209	223
USD/IDR	50	57

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.

(b) ***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.

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 statement of financial position.

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			
	2015		2014	
	S$'000	**% of total**	**S$'000**	**% of total**
By country:				
Singapore	9,544	65.8	11,035	69.0
Indonesia	4,956	34.2	4,756	29.8
Others	–	–	191	1.2
	14,500	100.0	15,982	100.0

At the end of the reporting period, approximately 47% (2014: 47%) and 14% (2014: 24%) of the Group trade receivables were due from 4 (2014: 4) and 2 (2014: 2) major customers who are located in Singapore and Indonesia respectively.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(b) ***Credit risk (cont'd)***

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) and Note 19 (other receivables).

(c) ***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 that to maintain sufficient liquid financial assets and stand-by credit facilities with banks. At the end of the reporting period, approximately 22.5% (2014: 62%) of the Group's loans and borrowings (Note 24) and finance lease liabilities (Note 25) 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.

	2015			2014		
	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	18,651	3,075	21,726	17,747	6,020	23,767
Cash and cash equivalents	11,532	2,423	13,955	3,790	2,478	6,268
Total undiscounted financial assets	30,183	5,498	35,681	21,537	8,498	30,035
Financial liabilities:						
Trade and other payables	31,801	206	32,007	28,045	172	28,217
Finance lease liabilities	1,439	1,171	2,610	1,616	2,605	4,221
Loans and borrowings	600	4,502	5,102	2,988	–	2,988
Total undiscounted financial liabilities	33,840	5,879	39,719	32,649	2,777	35,426
Total net undiscounted financial (liabilities)/assets	(3,657)	(381)	(4,038)	(11,112)	5,721	(5,391)

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) ***Liquidity risk (cont'd)***

	2015				2014			
	1 year or less S$'000	1 to 5 years S$'000	No fixed term of repayment S$'000	Total S$'000	1 year or less S$'000	1 to 5 years S$'000	No fixed term of repayment S$'000	Total S$'000
Company								
Financial assets:								
Other receivables	58,486	–	–	58,486	45,614	–	–	45,614
Loans to subsidiaries	–	–	36,165	36,165	–	–	38,992	38,992
Cash and cash equivalents	1,288	–	–	1,288	250	–	–	250
Total undiscounted financial assets	59,774	–	36,165	95,939	45,864	–	38,992	84,856
Financial liabilities:								
Trade and other payables	4,524	–	–	4,524	3,479	–	–	3,479
Finance lease liabilities	83	114	–	197	83	197	–	280
Loans and borrowings	–	–	–	–	2,988	–	–	2,988
Total undiscounted financial liabilities	4,607	114	–	4,721	6,550	197	–	6,747
Total net undiscounted financial assets/(liabilities)	55,167	(114)	36,165	91,218	39,314	(197)	38,992	78,109

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2015

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

(c) ***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.

	1 year or less S$'000	1 to 5 years S$'000	Total S$'000
Group			
2015			
Capital commitments	17,168	35,939	53,107
Operating lease commitments (net)	5,521	6,475	11,996
Total commitments	22,689	42,414	65,103
2014			
Capital commitments	26,449	27,957	54,406
Operating lease commitments (net)	2,905	6,966	9,871
Total commitments	29,354	34,923	64,277
Company			
2015			
Operating lease commitments	443	56	499
2014			
Operating lease commitments	526	376	902

The table below shows the contractual expiry by maturity of the Group's financial guarantee 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
2015	
Financial guarantees	2,800
2014	
Financial guarantees	2,400

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

36. 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 2015 and 31 December 2014.

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 loans and borrowings and finance lease liabilities.

	Group	
	2015	**2014**
	S$'000	**S$'000**
Loans and borrowings (Note 24)	4,242	2,633
Finance lease liabilities (Note 25)	2,471	3,920
Total borrowings	6,713	6,553
Equity	65,478	65,926
Gearing ratio	9.3%	9.0%

37. FAIR VALUE OF ASSETS AND LIABILITIES

A. *Assets and liabilities measured at fair value*

Fair value hierarchy

The Group and the Company classifies fair value measurement using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy have the following levels:

- Level 1– Quoted prices (unadjusted) in active markets for identical assets or liabilities,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices), and
- Level 3 – Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

At the end of the reporting period, there are no assets and liabilities that are carried at fair value under Level 1, 2 or 3 of the fair value hierarchy.

B. *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), loans and borrowings (excluding non-current portion) 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.

NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 December 2015

37. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

C. *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*

There are no financial assets and liabilities by classes that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value.

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.

38. EVENTS OCCURRING AFTER THE REPORTING PERIOD

Following the satisfaction of the precedent conditions, the transactions with Mandala and Eastwin (Note 11) were completed on 10 February 2016. From that date, Hexindo, Eastwin and Mandala own 31%, 34% and 35% interests in the Lemang PSC respectively.

39. AUTHORISATION OF FINANCIAL STATEMENTS FOR ISSUE

The financial statements for the financial year ended 31 December 2015 were authorised for issue in accordance with a resolution of Directors on 30 March 2016.

STATISTICS OF SHAREHOLDINGS

as at 23 March 2016

Issued and Fully Paid-Up Capital:	S$126,505,244.258
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 - 99	18	0.98	229	0.00
100 - 1,000	77	4.20	71,586	0.01
1,001 - 10,000	626	34.15	4,334,058	0.90
10,001 - 1,000,000	1,076	58.70	86,231,102	17.83
1,000,001 and above	36	1.97	392,910,173	81.26
Total	**1,833**	**100.00**	**483,547,148**	**100.00**

SUBSTANTIAL SHAREHOLDERS

	Direct Interest	%	Deemed Interest	%	Total Interest	%
Aditya Wisnuwardana Seky Soeryadjaya(3)	1,393,819	0.29	113,150,852	23.40	114,544,671	23.69
Edward Seky Soeryadjaya(2)	-	-	107,871,400	22.31	107,871,400	22.31
Mohammad Soetrisno Bachir(2)	-	-	107,871,400	22.31	107,871,400	22.31
Precious Treasure Global Inc.(2)	-	-	107,871,400	22.31	107,871,400	22.31
Redmount Holdings Limited(1)	172,200	0.04	107,699,200	22.27	107,871,400	22.31
Telecour Limited(3)	107,699,200	22.27	-	-	107,699,200	22.27
Dato' Sri Prof. Dr. Tahir(4)	-	-	68,000,000	14.06	68,000,000	14.06
Wing Harvest Limited(4)	68,000,000	14.06	-	-	68,000,000	14.06

NOTES:

(1) Redmount Holdings Limited ("**Redmount**"), pursuant to a trust deed dated 4 February 2016, has a deemed interest in the 107,699,200 shares registered in the name of Telecour Limited ("**Telecour**"), that are held on trust for Redmount.

(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 Companies Act, Mr Mohammad Soetrisno Bachir and Mr Edward Seky Soeryadjaya are deemed interested in the shares held by Redmount.

(3) Mr Aditya Wisnuwardana Seky Soeryadjaya has a deemed interest in the 5,451,652 shares registered in the name of DB Nominees (Singapore) Pte Ltd for his benefit, and a deemed interest in the 107,699,200 shares held by Telecour pursuant to Section 7(4) of the Companies Act, through his position as the sole director and shareholder of Telecour.

(4) The sole director and shareholder of Wing Harvest Limited, Clement Wang Kai, is holding the shares on trust for Dato' Sri. Prof. Dr. Tahir, MBA and his family.

STATISTICS OF SHAREHOLDINGS

as at 25 March 2016

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Approximately 59.02% of the Company's shares are held in the hands of the public (on the basis of information available to the Company). 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 23 March 2016 is 1,807,215 shares, approximately 0.37% of the total number of issued shares (excluding treasury shares).

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	RHB Securities Singapore Pte. Ltd	110,258,500	22.80
2	BNP Paribas Nominees Singapore Pte Ltd	72,729,000	15.04
3	Raffles Nominees (Pte) Limited	45,408,439	9.39
4	Summit Gain Consultants Limited	21,000,000	4.34
5	Bank of Singapore Nominees Pte. Ltd.	19,988,100	4.13
6	DBS Nominees (Private) Limited	15,870,300	3.28
7	OCBC Securities Private Limited	15,153,308	3.13
8	UOB Kay Hian Private Limited	12,044,472	2.49
9	DBS Vickers Securities (Singapore) Pte Ltd	7,018,400	1.45
10	Phillip Securities Pte Ltd	6,806,802	1.41
11	Maybank Kim Eng Securities Pte. Ltd.	5,809,500	1.20
12	DB Nominees (Singapore) Pte Ltd	5,569,952	1.15
13	Lim Chwee Kim	5,000,000	1.03
14	HSBC (Singapore) Nominees Pte Ltd	4,720,000	0.98
15	Hong Leong Finance Nominees Pte Ltd	4,662,800	0.96
16	Ong Shen Chieh (Wang Shengjie)	3,500,000	0.72
17	Lim Hock Chee	3,100,000	0.64
18	Lee Seck Hwee	2,813,817	0.58
19	Tee Goon Eng	2,800,000	0.58
20	United Overseas Bank Nominees (Private) Limited	2,648,580	0.55
	Total	**366,901,970**	**75.85**

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 Thursday, 28 April 2016 at 3.00 p.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company and the Group for the year ended 31 December 2015 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to Regulations 107 of the Constitution of the Company:

   (i) Tan Chong Huat (Retiring under Regulation 107) **(Resolution 2)**
   (ii) Aditya Wisnuwardana Seky Soeryadjaya (Retiring under Regulation 107) **(Resolution 3)**

   [See Explanatory Note (i)]

3. To note the retirement of Lanymarta Ganadjaja, a Director who is retiring under Regulation 107 of the Constitution and will not be seeking for re-election.

   Upon the retirement of Lanymarta Ganadjaja, she will be relinquishing his position as Executive Director and Chairperson of Risk Management Committee.

4. To approve the appointment of Mr Lee Seck Hwee as an Executive Director of the Company. **(Resolution 4)**

   [See Explanatory Note (ii)]

5. To approve the payment of Directors' fees up to S$486,250 for the year ending 31 December 2016. **(Resolution 5)**

6. To approve and ratify the additional payment of Director's fee of S$36,250 for the financial year ended 31 December 2015. **(Resolution 6)**

   [See Explanatory Note (iii)]

7. 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 7)**

8. 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:

9. **Authority to issue shares**

   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,

NOTICE OF ANNUAL GENERAL MEETING

   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**")

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 Constitution 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 (iv)] **(Resolution 8)**

10. **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 10**") 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 (v)] **(Resolution 9)**

NOTICE OF ANNUAL GENERAL MEETING

11. **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 (vi)] **(Resolution 10)**

12. **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:

(i)	(a)	Date of grant of Awards	:	10 August 2015
	(b)	Number of Awards granted	:	1,200,000
	(c)	Market price of its securities on the date of grant (weighted average price per share)	:	S$0.3034
	(d)	Date of Release for the Awards	:	First Tranche – 600,000 Within 2 weeks upon receipt of the shareholders' approval Second Tranche – 600,000 10 August 2016
(ii)	(a)	Date of grant of Awards	:	1 March 2016
	(b)	Number of Awards granted	:	62,000
	(c)	Market price of its securities on the date of grant (weighted average price per share)	:	S$0.1786
	(d)	Date of Release for the Awards	:	Within two weeks upon receipt of the shareholders' approval

be and are hereby approved.

[See Explanatory Note (vii)] **(Resolution 11)**

By Order of the Board

Chew Kok Liang
Secretary
Singapore, 13 April 2016

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Tan Chong Huat will, upon re-election as Director of the Company, remain as Chairman of the Company and a member of the Nominating Committee, Remuneration Committee and Audit Committee and he will be considered non-independent.

Mr Aditya Wisnuwardana Seky Soeryadjaya will, upon re-election as Director of the company, remain as Executive Director and Chief Executive Officer.

(ii) Mr Lee Seck Hwee is currently the Chief Financial Officer of the Company and his profile can be found on page 11 of the Annual Report. Upon the recommendation of the Nominating Committee, the Board, having reviewed the qualifications and experience of Mr Lee Seck Hwee, is satisfied that he is suitable for appointment as an Executive Director of the Company (the "**Appointment**") and hence, recommends the Appointment. Upon his Appointment, he will take over the current role and responsibilities of Ms Lanymarta Ganadjaja, who will be retiring at the Annual General Meeting. Subject to the approval of the Shareholders, the full details of the Appointment required under Rule 704(7) of the Listing Manual of the Singapore Exchange Securities Trading Limited will be released on the same day of the Annual General Meeting via SGXNet.

(iii) Raymond Budhin was appointed as a Non-Executive Director on 22 May 2015 until 30 March 2016.

(iv) The Ordinary Resolution 8 in item 9 above, if passed, will empower the Directors of the Company effective from the date of this Annual General Meeting 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 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 (excluding treasury shares) will be calculated based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time this Ordinary 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 Ordinary Resolution is passed and any subsequent consolidation or subdivision of shares.

(v) The Ordinary Resolution 9 in item 10 above, if passed, will empower the Directors of the Company, effective from the date of this Annual General Meeting 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 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 10**") must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time.

(vi) The Ordinary Resolution 10 in item 11 above, if passed, will empower the Directors of the Company, effective from the date of this Annual General Meeting 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 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 9**") and RGPSP (as defined in "**Resolution 10**"), 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.

(vii) 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 10 August 2015 and 1 March 2016, 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 1,200,000 and 62,000 shares under the RGPSP respectively ("**Awards**").

NOTICE OF ANNUAL GENERAL MEETING

The proposed grant of Awards may only be effected with the specific approval of independent shareholders at a general meeting through an ordinary resolution.

The Ordinary Resolution 11, if passed, will empower the Directors to offer to Mr Soeryadjaya the Awards.

Terms of Awards

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.

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 7 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 grant the Awards to Mr Soeryadjaya.

Mr Soeryadjaya will abstain and has undertaken to ensure that his Associates will abstain from voting on Resolution 11. In addition, Mr Soeryadjaya and his Associates will not accept appointments to act as proxies in relation to Resolution 11 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 Resolutions 9 and 10 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 Resolutions 9 and 10 unless specific instructions as to voting have been given by the Shareholders.

Pursuant to Rule 845(3) of the Listing Manual of the SGX-ST, assuming the Proposed Grant of Awards to Mr Soeryadjaya is approved and all options and awards granted to Mr Soeryadjaya are exercised and released, the aggregate number of options and awards convertible into shares will be 7,040,233 representing 1.46% of the total number of issued shares excluding treasury shares, which does not exceed the limit of 10% of the total number of shares available under RGSOS and RGPSP to each controlling shareholder or his associate.

Pursuant to Rule 845(2) of the Listing Manual, as Mr Soeryadjaya is the only associate of the Controlling Shareholder entitled for the Grant of to controlling shareholders and their associates does not exceed 25% of the shares under RGSOS and RGPSP.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. A Member of the Company (other than a Relevant Intermediary*) 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. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number and class of shares shall be specified.)

3. 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.

   * A Relevant Intermediary is:

   (a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

   (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

   (c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

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DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

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TEXAS REGISTERED ENGINEERING FIRM

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DeGolyer and MacNaughton
5001 Spring Valley Road
Suite 800 East
Dallas, Texas 75244

REPORT
as of
DECEMBER 31, 2015
on
RESERVES and CONTINGENT RESOURCES
of
CERTAIN FIELDS
in
INDONESIA
for
RAMBA ENERGY LIMITED

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DALLAS, TEXAS 75244

REPORT
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on
RESERVES and CONTINGENT RESOURCES
of
CERTAIN FIELDS
in
INDONESIA
for
RAMBA ENERGY LIMITED

FOREWORD

Scope of Investigation

This report presents estimates, as of December 31, 2015, of the extent of the proved, probable, and possible oil, condensate, and gas reserves and the extent of the oil, condensate, and gas contingent resources of certain properties in Indonesia in which Ramba Energy Limited (Ramba) has represented that it owns an interest. The reserves evaluated in this report are located in the Lemang Production Sharing Contract (PSC), in which Ramba has represented that it owns a 51-percent working interest, and the Jatirarangon field in the Jatirarangon Technical Assistance Contract (Jati TAC), in which Ramba has represented that it owns a 70-percent working interest. The contingent resources evaluated in this report are located in the West Jambi field in the Operations Cooperation Agreement for the West Jambi Operating Area, in which Ramba has represented that it owns a 100-percent interest. The properties evaluated are shown in the following table:

Asset Name	Working Interest	Development Status	License Expiration Date	Type of Mineral, Oil, or Gas Deposit
Lemang PSC	51%	Undeveloped	January 18, 2037	Oil, Condensate, and Gas
Jatirarangon TAC	70%	Producing	May 22, 2020	Gas
West Jambi Operating Area	100%	Undeveloped	June 13, 2031	Oil, Condensate, and Gas

Note: Ramba has represented that in October 2015, it entered into negotiations to divest a portion of its interests in the Lemang field thereby reducing its share from a 51 percent to a 31 percent working interest. As of December 31, 2015, the transaction had not closed.

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Estimates of proved, probable, and possible reserves and contingent resources presented in this report have been prepared in accordance with the Petroleum Resources Management System (PRMS) approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The reserves definitions are discussed in detail in the Definition of Reserves section of this report. The contingent resources definitions are discussed in detail in the Definition of Contingent Resources section of this report.

Reserves estimated in this report are expressed as gross and working interest reserves. Gross reserves are defined as the total estimated petroleum remaining to be produced from these properties after December 31, 2015. Working interest reserves are defined as that portion of the gross reserves attributable to the working interests owned by Ramba, as of December 31, 2015, before deduction of any associated royalty burden and net profits payable or government profit share. Working interest reserves should not be construed to be equal to or represent net entitlement reserves from interests owned by Ramba.

The contingent resources estimated in this report are expressed as gross and working interest contingent resources. Gross contingent resources are defined as the total estimated petroleum that is potentially recoverable from known accumulations after December 31, 2015. Working interest contingent resources are defined as that portion of the gross contingent resources attributable to the working interests owned by Ramba, as of December 31, 2015, before deduction of any associated royalty burden and net profits payable or government profit share.

The contingent resources estimated herein are those quantities of petroleum that are potentially recoverable from known accumulations but which are not currently considered to be commercially recoverable. Because of the uncertainty of commerciality, the contingent resources estimated herein cannot be classified as reserves. The contingent resources estimates in this report are provided as a means of comparison to other contingent resources and do not provide a means of direct comparison to reserves. The contingent resources estimated in this report have an economic status of Submarginal. There are a number of contingencies that need to be resolved before the reservoirs can be commercially developed and reserves can be assigned. These

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contingencies are discussed in the Estimation of Contingent Resources section of this report.

Contingent resources quantities should not be confused with those quantities that are associated with reserves due to the additional risks involved. The quantities that might actually be recovered should they be developed may differ significantly from the estimates presented herein. There is no certainty that it will be commercially viable to produce any portion of the contingent resources evaluated herein.

Estimates of reserves and contingent resources should be regarded only as estimates that may change as further production history and additional information become available. Not only are such reserves and contingent resources estimates based on that information which is currently available, but such estimates are also subject to the uncertainties inherent in the application of judgmental factors in interpreting such information.

<u>Authority</u> This report was authorized by David Aditya Soeryadjaya, Chief Executive Officer, Ramba Energy Limited.

<u>Source of Information</u> Information used in the preparation of this report was obtained from Ramba. In the preparation of this report we have relied, without independent verification, upon information furnished by Ramba with respect to property interests owned, production from such properties, current costs of operation and development, current prices for production, agreements relating to current and future operations and sale of production, and various other information and data that were accepted as represented. Site visits to the producing fields evaluated herein were not made by DeGolyer and MacNaughton. Existing production data, reports in the public domain, and photographic evidence of the fields were considered adequate because the fields are in established producing venues.

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DEFINITION of RESERVES

Estimates of proved, probable, and possible reserves presented in this report have been prepared in accordance with the PRMS approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. The petroleum reserves are defined as follows:

Reserves are those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves must further satisfy four criteria: they must be discovered, recoverable, commercial, and remaining (as of the evaluation date) based on the development project(s) applied. Reserves are further categorized in accordance with the level of certainty associated with the estimates and may be sub-classified based on project maturity and/or characterized by development and production status.

Proved Reserves – Proved Reserves are those quantities of petroleum which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90-percent probability that the quantities actually recovered will equal or exceed the estimate.

Unproved Reserves – Unproved Reserves are based on geoscience and/or engineering data similar to that used in estimates of Proved Reserves, but technical or other uncertainties preclude such reserves being classified as Proved. Unproved Reserves may be further categorized as Probable Reserves and Possible Reserves.

Probable Reserves – Probable Reserves are those additional Reserves which analysis of geoscience and engineering data indicate are less likely to be recovered than Proved Reserves but more certain to be recovered than Possible Reserves. It is

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equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50-percent probability that the actual quantities recovered will equal or exceed the 2P estimate.

Possible Reserves – Possible Reserves are those additional reserves which analysis of geoscience and engineering data suggest are less likely to be recoverable than Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved plus Probable plus Possible Reserves (3P), which is equivalent to the high estimate scenario. In this context, when probabilistic methods are used, there should be at least a 10-percent probability that the actual quantities recovered will equal or exceed the 3P estimate.

Reserves Status Categories – Reserves status categories define the development and producing status of wells and reservoirs.

Developed Reserves – Developed Reserves are expected quantities to be recovered from existing wells and facilities. Reserves are considered developed only after the necessary equipment has been installed, or when the costs to do so are relatively minor compared to the cost of a well. Where required facilities become unavailable, it may be necessary to reclassify Developed Reserves as Undeveloped. Developed Reserves may be further sub-classified as Producing or Non-Producing.

Developed Producing Reserves – Developed Producing Reserves are expected to be recovered from completion intervals that are open and producing at the time of the estimate. Improved recovery reserves are considered producing only after the improved recovery project is in operation.

Developed Non-Producing Reserves – Developed Non-Producing Reserves include shut-in and behind-pipe Reserves. Shut-in Reserves are expected to be recovered from (1) completion

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intervals which are open at the time of the estimate but which have not yet started producing, (2) wells which were shut-in for market conditions or pipeline connections, or (3) wells not capable of production for mechanical reasons. Behind-pipe Reserves are expected to be recovered from zones in existing wells which will require additional completion work or future recompletion prior to the start of production. In all cases, production can be initiated or restored with relatively low expenditure compared to the cost of drilling a new well.

Undeveloped Reserves – Undeveloped Reserves are quantities expected to be recovered through future investments: (1) from new wells on undrilled acreage in known accumulations, (2) from deepening existing wells to a different (but known) reservoir, (3) from infill wells that will increase recovery, or (4) where a relatively large expenditure (e.g. when compared to the cost of drilling a new well) is required to (a) recomplete an existing well or (b) install production or transportation facilities for primary or improved recovery projects.

The extent to which probable and possible reserves ultimately may be recategorized as proved reserves is dependent upon future drilling, testing, and well performance. The degree of risk to be applied in evaluating probable and possible reserves is influenced by economic and technological factors as well as the time element. Estimates of probable and possible reserves in this report have not been adjusted in consideration of these additional risks to make them comparable to estimates of proved reserves.

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ESTIMATION of RESERVES

Estimates of reserves were prepared by the use of appropriate geologic, petroleum engineering, and evaluation principles and techniques that are in accordance with practices generally recognized by the petroleum industry and in accordance with definitions established by the PRMS. The method or combination of methods used in the analysis of each reservoir was tempered by experience with similar reservoirs, stage of development, quality and completeness of basic data, and production history.

Based on the current stage of field development, production performance, the development plans provided by Ramba, and the analyses of areas offsetting existing wells with test or production data, reserves were categorized as proved, probable, or possible.

The volumetric method was used to estimate the original oil in place (OOIP) and the original gas in place (OGIP). Estimates were made by using various types of logs, core analyses, and other available data. Formation tops, gross thickness, and representative values for net pay thickness, porosity, and interstitial fluid saturations were used to prepare structure maps to delineate each reservoir and isopach maps to estimate reservoir volumes.

Estimates of ultimate recovery were obtained by applying recovery factors to the estimates of OOIP and OGIP. These factors were based on consideration of the type of energy inherent in the reservoir, analysis of the fluid and rock properties, the structural position of the properties, and the production history. In some instances, comparisons were made with similar producing reservoirs in the area for which more complete data were available.

For depletion-type reservoirs or other reservoirs where performance has disclosed a reliable decline in producing-rate trends or other diagnostic characteristics, reserves were estimated by the application of appropriate decline curves or other performance relationships. In analyzing decline curves, reserves were estimated only to the limits of economic production.

Data provided by Ramba from certain wells drilled through December 31, 2015, and made available for this evaluation,

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have been used to prepare the estimates shown herein. The reserves estimates presented herein were based on consideration of monthly production data through December 2015.

Gas reserves estimated herein are expressed as marketable gas at a temperature base of 60 degrees Fahrenheit (°F) and a pressure base of 14.7 pounds per square inch absolute (psia). Marketable gas is defined as the total gas to be produced from the reservoirs after reduction for flare and shrinkage resulting from field separation and processing but before reduction for fuel usage.

Gas quantities are identified by the type of reservoir from which the gas is to be produced. Nonassociated gas is gas at initial reservoir conditions with no oil present in the reservoir. Associated gas is included herein as gas-cap gas and as solution gas. Gas-cap gas is gas at initial reservoir conditions and is in communication with an underlying oil zone. Solution gas is gas dissolved in oil at initial reservoir conditions. Gas quantities herein include associated and nonassociated gas reserves.

Oil and condensate reserves estimated in this report are expressed in terms of 42 United States gallons per barrel. Oil and condensate reserves are to be recovered by conventional field operations.

Reserves were limited to the economic limit as defined in the Definition of Reserves section of this report or the expiration date of a production license, whichever occurs first.

<u>Jatirarangon Field</u> The Jatirarangon field, contained in the Jatirarangon Contract Area, is operated under the terms of the Jati TAC signed with Pertamina, the Indonesian Government oil company, in May 2000. Ramba has represented that it has acquired a 70-percent participating interest in the Jati TAC. The Jatirarangon Contract Area is located in West Java, approximately 20 kilometers southeast of Jakarta, as shown on Figure 1. The field began producing oil and gas in 2004, and is currently producing gas from reservoirs in the Cibulakan Formation (CBA), Parigi Formation, and Cisubuh Formation (CSB). The field produced oil from sandstone reservoirs in the Talang Akar Formation (TAF) and from a limestone reservoir in the Batu Raja Formation (BRF) through June 2015, when oil production ceased following mechanical issues.

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No oil reserves have been estimated for the Jatirarangon field. Figure 2 shows the stratigraphic column for West Java.

All available test, well-log, and core data provided by Ramba for the Jatirarangon field were integrated into the petrophysical evaluation. Water saturation (S_w) was estimated using the Indonesian equation. The formation water resistivity (R_w) was estimated using Pickett plot analysis. The cementation factor "m" and saturation exponent "n" used for the evaluation were m = 1.76 and n = 2 based on data provided by Ramba. The tortuosity factor "a" was set to a constant value of 1.0.

Net pay limits for all reservoirs were estimated using pay limit cutoff sensitivities from knowledge of the reservoirs in the area. The estimated net pay limits derived from these analyses were an effective porosity of greater than or equal to 6 percent, a S_w of less than or equal to 80 percent, and a volume of shale (V_{sh}) of less than or equal to 50 percent.

Estimates of OGIP were prepared based on net gas pay isopach maps developed from geophysical evaluation of the field structure, petrophysical estimates of net gas pay, porosity, and water saturation, and geologic interpretation of the depositional environment, well control, and limiting elevations.

Proved developed producing reserves were estimated for the Jatirarangon field using individual-well, performance-based methods, primarily decline-curve analysis of gas-rate-versus-time trends. Probable and possible reserves were estimated for wells, as applicable, associated with incremental recovery above quantities estimated for proved and probable reserves, respectively.

Proved undeveloped reserves were estimated in the Jatirarangon field using the volumetric method and are associated with plans provided by Ramba to begin producing from the CBA-11 reservoir in early 2017 from the JRR-01D-03 well. Probable and possible reserves were estimated associated with incremental recovery above quantities estimated for proved and probable reserves, respectively.

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Lemang PSC

The Lemang PSC is located in southeastern Sumatra. The PSC contains the Lemang oil and gas field discovered in 2012 with the drilling of the Selong-1 well. The field contains three wells: the Selong-1 (SLG-1), the Akatara-1 (AKT-1), and the Akatara-2 (AKT-2) wells. The structure of the Lemang field is a northwest-striking anticlinal feature truncated near its crest by a series of southwest/northeast-trending faults. Each well found slightly more than an estimated 50 feet of net pay, in five sandstone reservoirs in the Upper and Lower TAF. The wells produced oil and gas during tests in those five reservoirs. Figure 3 shows the stratigraphic column for Southeast Sumatra.

Ramba has represented that in October 2015, it entered into negotiations to divest a portion of its interests in the Lemang field that would reduce its share from a 51 percent to a 31 percent working interest. As of December 31, 2015, the transaction had not closed.

The five tested reservoirs in the Lemang field were estimated to contain proved, probable, and possible reserves. Possible reserves were estimated for seven additional oil reservoirs that have not been tested.

All available test, well-log, and core data provided by Ramba for the Lemang field were integrated into the petrophysical evaluation. S_w was estimated using the Simandoux equation in order to correct for the reducing effect of the shales in the true resistivity used in the water saturation calculation. The values of 1, 1.76, and 1.8 were used in this evaluation for "a," "m," and "n" parameters, respectively, based on data provided by Ramba. The R_w in the Lemang wells was estimated to be 0.118 ohm-meter based on wet sands.

Net pay associated with proved, probable, and possible reserves was estimated in the five tested hydrocarbon-bearing sands using the following cutoffs: a maximum S_w of 65 percent, a maximum V_{sh} of 40 percent, and a minimum porosity of 8 percent.

Data provided by Ramba indicated that core samples in the Lemang field sands contain pyrite. Because pyrite reduces resistivity, a calculation of S_w using the Simandoux equation when pyrite is present may result in an estimated S_w greater than that actually present. There is no reliable method to correct for this effect on calculated S_w because it is dependent on

APPENDIX A

the distribution of pyrite in the sands, and not strictly the amount of pyrite present. Consequently, an estimated S_w of 40 percent was assigned to the four tested oil reservoirs. For the net pay in the seven reservoirs associated with the estimation of possible reserves, no S_w cutoff was applied to account for the uncertainty related to the presence of pyrite. A S_w of 55 percent was assigned to the seven reservoirs associated with possible reserves based on weight-averaged S_w estimates from parts of these reservoirs where resistivity does not appear to be reduced by the presence of pyrite.

A seismic project containing 2–D and three-dimensional (3–D) seismic data of fair to good quality was provided by Ramba and used to verify the structure of the Lemang field. The 2–D data set reasonably ties to the 3–D data set and together show good evidence of the reservoir structure and the bounding faults creating the structural trap. The 3–D seismic data are of sufficient resolution to individually map the reservoir sand levels. Time-depth charts were also provided by Ramba to convert the interpreted time-structure maps to depth-structure maps. All seismic data supplied by Ramba were reviewed and determined to reasonably represent the Lemang field. The interpreted and depth-converted seismic data were then tied to the well control and used for volumetric estimates.

Pressure transient analysis was performed on build-up tests in the three Lemang wells in the five tested reservoirs. The well tests and analysis supported the potential existence of oil in low resistivity zones, as well as the presence of good reservoir permeability estimated to be about 500 millidarcys. The analysis was also used to support estimated areal reservoir limits associated with proved reserves, such as a potential reservoir boundary corresponding to the distance to an interpreted structural saddle.

Estimates of proved, probable, and possible reserves for the Lemang field were based on the volumetric method. Two oil reservoirs interpreted as having gas caps and one gas reservoir were all tested in the Upper TAF and two oil reservoirs were tested in the Lower TAF. Initial solution gas-oil ratio (GOR), oil gravities, formation volume factors, and initial condensate yield were estimated using data provided from these drill-stem tests (DST). Possible reserves were estimated for seven additional oil reservoirs with no S_w cutoff applied because of uncertainty related to the presence of pyrite, as discussed above.

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Estimates of OOIP and OGIP associated with proved reserves were limited by the estimated lowest known oil (LKO) or lowest known gas (LKG) observed on the well logs in each reservoir. Oil was produced at high GORs during DSTs in the Upper TAF oil reservoirs, interpreted to be associated with gas produced from the gas cap. PVT data from samples during a DST of the AKT-2 well in the SEQ-3.40 reservoir in the Lower TAF indicated an initial GOR of 990 standard cubic feet per barrel. The initial solution GOR in other reservoirs in the Lemang field were estimated by adjusting the initial GOR in the SEQ-3.40 reservoir for changes in temperature, pressure, oil gravity, and specific gravity of gas using a correlation for saturated oil reservoirs.

An apparent saddle was interpreted to be present based on the structure to the southwest of the AKT-1 and AKT-2 wells. Interpretations from the pressure transient analysis indicated a potential reservoir boundary corresponding to the distance to the saddle. This feature was used as a reservoir limit for OOIP and OGIP estimates associated with proved reserves.

Estimates of OOIP and OGIP associated with proved-plus-probable reserves were based on deeper limits in each reservoir. The depths of the proved-plus-probable limits were estimated considering the net sand thickness observed in well logs for each reservoir, the potential spillpoint for each reservoir, and the estimated areal extent of the reservoirs. The saddle feature used as an areal limit associated with proved reserves and discussed above was not used as an areal limit for OOIP or OGIP estimates associated with proved-plus-probable reserves.

Estimates of OOIP and OGIP associated with proved-plus-probable-plus-possible reserves were based on the potential spillpoint for each reservoir. For many reservoirs, this indicated potentially deeper limits than those used for OOIP and OGIP estimates associated with proved-plus-probable reserves.

Proved undeveloped oil, condensate, and gas reserves were estimated in the Lemang field using the volumetric method and based on development plans provided by Ramba. Probable and possible reserves were estimated associated with incremental recovery above quantities estimated for proved and probable reserves, respectively.

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The estimated gross and working interest proved, probable, and possible reserves of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of December 31, 2015, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Reserves			Working Interest Reserves		
	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)
Proved	4,013	33	12,202	2,047	17	6,486
Probable	11,366	182	46,204	5,797	93	23,589
Possible	34,812	83	56,137	17,754	42	28,797

Notes:
1. Working interest reserves should not be construed to be equal to or represent net entitlement reserves from interests owned by Ramba.
2. Probable and possible reserves have not been risk adjusted to make them comparable to proved reserves.
3. Ramba has represented that in October 2015, it entered into negotiations to divest a portion of its interests in the Lemang field that would reduce its share from a 51 percent to a 31 percent working interest. As of December 31, 2015, the transaction had not closed.

Economic Basis for Reserves Estimates Future prices and costs were provided by Ramba in United States dollars (U.S.$) as of December 31, 2015. The assumptions used for estimating future prices and costs were as follows:

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Oil and Condensate Prices

Estimated future oil prices provided by Ramba for the Lemang field were based on a schedule of U.S.$45.00 per barrel in 2016 and then escalated annually through 2024 to a maximum price of U.S.$85.00. Ramba provided an estimated future condensate price schedule of U.S.$36.00 per barrel in 2016 and then escalated annually through 2024 to a maximum price of $68.00. The estimated future oil and condensate prices provided by Ramba are shown in the following table, expressed in United States dollars per barrel (U.S.$/bbl):

Year	Oil (U.S.$/bbl)	Condensate (U.S.$/bbl)
2016	45.00	36.00
2017	50.00	40.00
2018	55.00	44.00
2019	60.00	48.00
2020	65.00	52.00
2021	70.00	56.00
2022	75.00	60.00
2023	80.00	64.00
2024 *and thereafter*	85.00	68.00

Gas Prices

Estimated future gas prices provided by Ramba for the Jatirarangon field were based on a 12-month average price of U.S.$6.58 per million British thermal units and were held constant thereafter. For the Lemang field, Ramba provided estimated future gas prices of U.S.$7.15 per thousand cubic feet beginning in 2016, with a 3-percent per year escalation beginning in 2017. These gas prices are based on signed offers for purchase of the gas as well as representation from Ramba that active discussions to market the gas from the Lemang field are ongoing.

Operating Expenses and Capital Costs

Estimates of operating expenses and capital costs were based on information furnished by Ramba. These expenditures were not escalated for inflation.

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DEFINITION of CONTINGENT RESOURCES

Estimates of contingent resources presented in this report have been prepared in accordance with the PRMS approved in March 2007 by the Society of Petroleum Engineers, the World Petroleum Council, the American Association of Petroleum Geologists, and the Society of Petroleum Evaluation Engineers. Because of the lack of commerciality or sufficient development drilling, the contingent resources estimated herein cannot be classified as reserves. The petroleum resources are classified as follows:

Contingent Resources – Those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies.

Based on assumptions regarding future conditions and their impact on ultimate economic viability, projects currently classified as Contingent Resources may be broadly divided into three economic status groups:

Marginal Contingent Resources – Those quantities associated with technically feasible projects that are either currently economic or projected to be economic under reasonably forecasted improvements in commercial conditions but are not committed for development because of one or more contingencies.

Sub-Marginal Contingent Resources – Those quantities associated with discoveries for which analysis indicates that technically feasible development projects would not be economic and/or other contingencies would not be satisfied under current or reasonably forecasted improvements in commercial conditions. These projects nonetheless should be retained in the inventory of discovered resources pending unforeseen major changes in commercial conditions.

Undetermined Contingent Resources – Where evaluations are incomplete such that it is premature to clearly define ultimate

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chance of commerciality, it is acceptable to note that project economic status is "undetermined."

The estimation of resources quantities for an accumulation is subject to both technical and commercial uncertainties and, in general, may be quoted as a range. The range of uncertainty reflects a reasonable range of estimated potentially recoverable volumes. In all cases, the range of uncertainty is dependent on the amount and quality of both technical and commercial data that are available and may change as more data become available.

1C (Low), 2C (Best), and 3C (High) Estimates – Estimates of petroleum resources in this report are expressed using the terms 1C (low) estimate, 2C (best) estimate, and 3C (high) estimate to reflect the range of uncertainty.

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ESTIMATION of CONTINGENT RESOURCES

Estimates of contingent resources were prepared by the use of appropriate geologic, petroleum engineering, and evaluation principles and techniques that are in accordance with practices generally recognized by the petroleum industry and in accordance with definitions established by the PRMS. The method or combination of methods used in the analysis of each reservoir was tempered by experience with similar reservoirs, stage of development, quality and completeness of basic data, and production history.

The volumetric method was used to estimate the OOIP. Estimates were made by using various types of logs, core analyses, and other available data. Formation tops, gross thickness, and representative values for net pay thickness, porosity, and interstitial fluid saturations were used to prepare structural maps to delineate each reservoir and isopachous maps to estimate reservoir volumes.

Estimates of ultimate recovery were obtained by applying recovery efficiency factors to the OOIP. These factors were based on consideration of the type of energy inherent in the reservoir, analysis of the fluid and rock properties, the structural position of the properties, and the production history. In some instances, comparisons were made with similar producing reservoirs in the area for which more complete data were available.

In certain cases where the previously named methods could not be used, contingent resources were estimated by analogy with similar reservoirs for which more complete data were available.

Gas contingent resources quantities estimated herein are expressed as marketable gas at a temperature base of 60°F and a pressure base of 14.7 psia. Marketable gas is defined as the total gas to be produced from the reservoirs after reduction for flare and shrinkage resulting from field separation and processing but before reduction for fuel usage.

Gas quantities are identified by the type of reservoir from which the gas is to be produced. Nonassociated gas is gas at initial reservoir conditions with no oil present in the reservoir. Associated gas is included herein as gas-cap and as solution gas. Gas-cap gas is gas at initial reservoir conditions and is in communication with an underlying oil zone. Solution gas is gas

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dissolved in oil at initial reservoir conditions. Gas quantities estimated herein as contingent resources include nonassociated gas and associated gas in the form of solution gas.

Oil and condensate contingent resources estimated in this report are expressed in terms of 42 United States gallons per barrel. Oil and condensate contingent resources are to be recovered by conventional field operations.

<u>West Jambi Field</u>

The West Jambi field is located in the Jambi sub-basin in southeastern Sumatra, shown on Figure 1. The West Jambi field is a northwest/southeast-trending four-way fault enclosed anticline. A total of 13 wells have been drilled in the field, with 4 of the wells reaching basement. The West Jambi field was discovered in 1913 by the Tuba Obi 1 well; however, there were no indications that oil was produced from the discovery well, other than initial swab tests. Log data provided for the West Jambi field by Ramba included spontaneous potential and resistivity logs for the Air Benakat Formation (ABF) and TAF zones in three of the wells drilled after 1938 and 1950. Resistivity, neutron, density, sonic, and gamma-ray logs were provided for the TAF in the Tuba Obi 12A well. No usable log data were available for the other nine wells. Figure 3 shows the stratigraphic column for southeast Sumatra.

Seismic data consisting of a 1-kilometer-by-2-kilometer-spaced set of 2–D seismic lines of fair to good quality were provided by Ramba and reviewed. The structural interpretation from the seismic data appeared to tie reasonably to the wells.

All test, well-log, and core data provided by Ramba for the West Jambi field were integrated into the petrophysical evaluation. Using data provided for the Tuba Obi 12A well, S_w in the TAF reservoirs was estimated using the Simandoux equation. The values of 0.81, 2, and 2 were used for the "a," "m," and "n" parameters, respectively. An R_w of 0.1 ohm-meter was estimated from wet sands observed in the field.

Gas contingent resources were estimated for two sandstone reservoirs in the TAF, identified from DSTs, using the volumetric method. Net gas pay thickness isopach maps were prepared to estimate OGIP

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associated with 1C, 2C, and 3C contingent resources. Porosity and S_w estimates were used along with estimates of net rock volume to estimate the OGIP. Due to the limited fluid and composition data provided, estimated condensate yield was based on analogy to the 4730SD reservoir in the Lemang field. Gas formation volume factor was estimated based on industry correlations using reservoir pressures and temperatures, as well as a provided specific gravity of gas. Recovery factors based on expertise with similar reservoirs in the region were applied to the volumetric estimates of OGIP in order to estimate the 1C, 2C, and 3C contingent resources.

In 1938, three wells swabbed small quantities of oil on test from the shallow Z-100 sandstone reservoir in the ABF. Very little additional oil production data were made available for that era for the ABF.

Ramba has advised that two wells were recompleted and placed on production using rod-pump in the late 1970s. According to Ramba, the wells reportedly consistently produced 5 BOPD each from the shallow Z-100 reservoir in the ABF in the West Jambi field. However, very little data were available to show the production history or the completion details for these wells. An API oil gravity of 30.4 degrees was indicated in data provided by Ramba. The 1C, 2C, and 3C contingent resources were estimated for the Z-100 reservoir in the ABF using the volumetric method. Due to the limited data available, 1C and 2C contingent resources estimates were limited to one well location offset and two well location offsets, respectively, around the wells containing logs or production for the ABF.

The contingent resources estimated in this report have an economic status of Submarginal. There are a number of contingencies that need to be resolved before the reservoirs can be commercially developed and reserves can be assigned. The following key contingencies for this project have been identified:

- Although there has been oil reportedly produced from the Z-100 reservoir in the ABF and swabbed in several wells, there is still uncertainty in the commercial producibility of the Z-100 layer due to the low reservoir pressure and scarcity of data.
- Rock and fluid properties in the ABF must be better defined in order to begin development planning.
- Contracts to sell produced quantities will need to be negotiated at prices sufficient to justify commercial development.

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The estimated gross and working interest 1C, 2C, and 3C contingent resources of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of December 31, 2015, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Contingent Resources			Working Interest Contingent Resources		
	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)
1C	666	137	16,528	666	137	16,528
2C	1,849	247	29,804	1,849	247	29,804
3C	23,057	808	97,480	23,057	808	97,480

Notes:
1. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.
2. There is no certainty that it will be commercially viable to produce any portion of the resources evaluated.
3. All contingent resources have an economic status of Submarginal.

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SUMMARY and CONCLUSIONS

The estimated gross and working interest proved, probable, and possible reserves of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of December 31, 2015, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Reserves			Working Interest Reserves		
	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)
Proved	4,013	33	12,202	2,047	17	6,486
Probable	11,366	182	46,204	5,797	93	23,589
Possible	34,812	83	56,137	17,754	42	28,797

Notes:
1. Working interest reserves should not be construed to be equal to or represent net entitlement reserves from interests owned by Ramba.
2. Probable and possible reserves have not been risk adjusted to make them comparable to proved reserves.
3. Ramba has represented that in October 2015, it entered into negotiations to divest a portion of its interests in the Lemang field that would reduce its share from a 51 percent to a 31 percent working interest. As of December 31, 2015, the transaction had not closed.

The estimated gross and working interest 1C, 2C, and 3C contingent resources of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of December 31, 2015, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Contingent Resources			Working Interest Contingent Resources		
	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)	Oil (Mbbl)	Condensate (Mbbl)	Marketable Gas (MMcf)
1C	666	137	16,528	666	137	16,528
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Notes:
1. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.
2. There is no certainty that it will be commercially viable to produce any portion of the resources evaluated.
3. All contingent resources have an economic status of Submarginal.

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DeGolyer and MacNaughton is an independent petroleum engineering consulting firm that has been providing petroleum consulting services throughout the world since 1936. Our fees were not contingent on the results of our evaluation. This report has been prepared at the request of Ramba. DeGolyer and MacNaughton has used all assumptions, procedures, data, and methods that it considers necessary to prepare this report.

Submitted,

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

SIGNED: March 17, 2016

STATE OF TEXAS
THOMAS CAMPBELL PENCE
73562
REGISTERED PROFESSIONAL ENGINEER

Thomas C. Pence, P.E.
Senior Vice President
DeGolyer and MacNaughton

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DeGolyer and MacNaughton

CERTIFICATE of QUALIFICATION

I, Thomas C. Pence, Petroleum Engineer with DeGolyer and MacNaughton, 5001 Spring Valley Road, Suite 800 East, Dallas, Texas, 75244 U.S.A., hereby certify:

1. That I am a Senior Vice President with DeGolyer and MacNaughton, which company did prepare the report entitled “Report as of December 31, 2015 on Reserves and Contingent Resources of Certain Fields in Indonesia for Ramba Energy Limited” dated March 17, 2016, and that I, as Senior Vice President, was responsible for the preparation of this report.

2. That I attended Texas A&M University, and that I graduated with a degree in Petroleum Engineering in the year 1982; that I am a Registered Professional Engineer in the State of Texas; that I am a member of the International Society of Petroleum Engineers; and that I have in excess of 33 years of experience in the oil and gas reservoir studies and reserves evaluations.

STATE OF TEXAS
THOMAS CAMPBELL PENCE
73562
REGISTERED PROFESSIONAL ENGINEER

Thomas C. Pence, P.E.
Senior Vice President
DeGolyer and MacNaughton

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FIGURE 1
LOCATION MAP
CERTAIN FIELDS
INDONESIA

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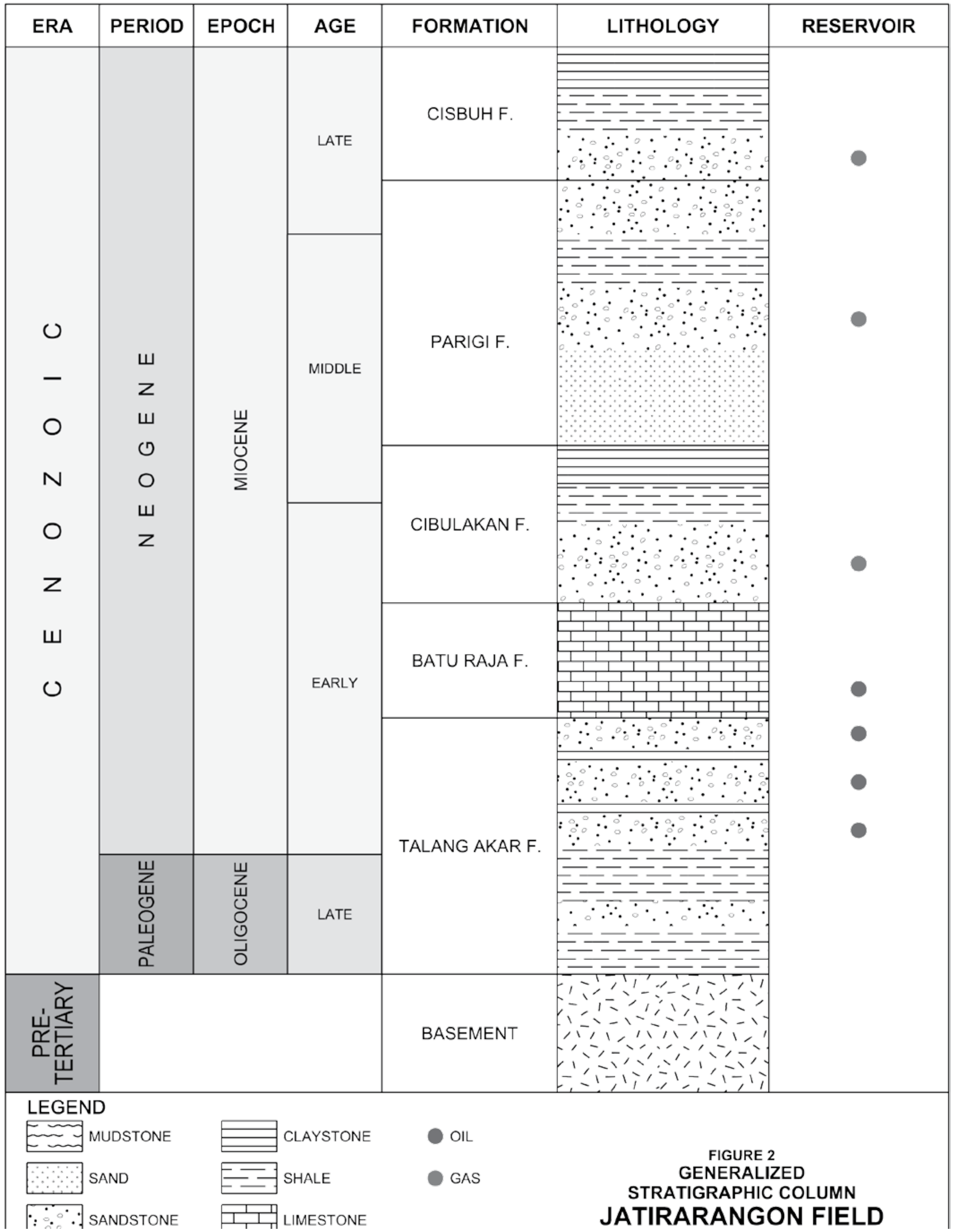

FIGURE 2
GENERALIZED
STRATIGRAPHIC COLUMN
JATIRARANGON FIELD

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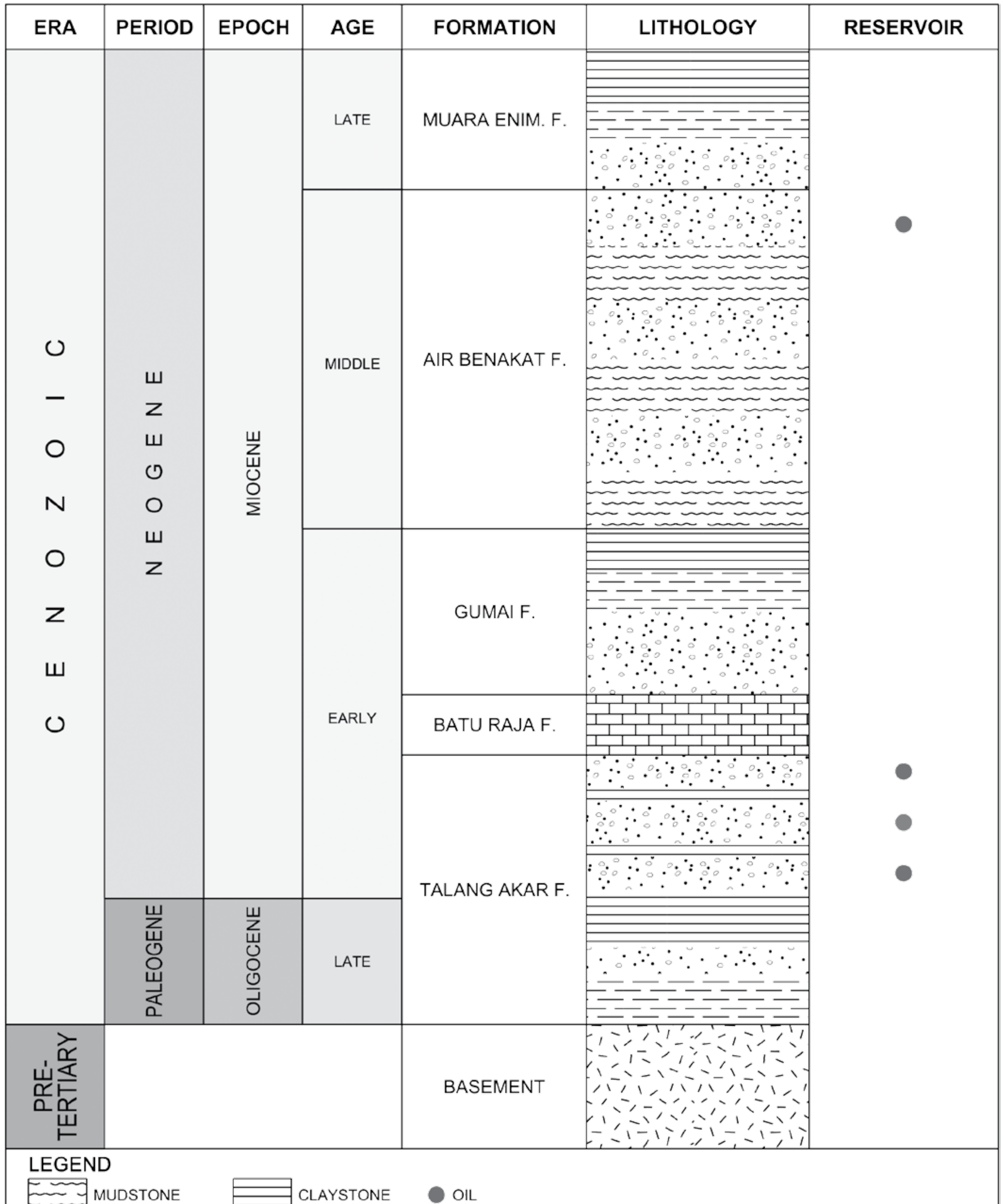

FIGURE 3
GENERALIZED STRATIGRAPHIC COLUMN
LEMANG and WEST JAMBI FIELDS

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

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

1. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.
2. This Proxy Form is not valid for use by CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

I/We, ______________________________ (Name) ______________________ (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			

as my/our proxy/proxies to attend and 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 Thursday, 28 April 2016 at 3.00 p.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.

No.	Resolutions relating to:	No. of votes 'For'*	No. of votes 'Against'*
1	Audited Financial Statements for the financial year ended 31 December 2015		
2	Re-election of Mr Tan Chong Huat as a Director		
3	Re-election of Mr Aditya Wisnuwardana Seky Soeryadjaya as a Director		
4	Appointment of Mr Lee Seck Hwee as an Executive Director		
5	Approval of Directors' fees amounting to S$486,250 for the financial year ending 31 December 2016		
6	Approval and ratification of the additional payment of director's fee of S$36,250 for the financial year ended 31 December 2015		
7	Re-appointment of Ernst & Young LLP as Auditors and authority to Directors to fix remuneration		
8	Authority to issue shares		
9	Authority to issue shares under Ramba Group Share Option Scheme		
10	Authority to issue shares under the Ramba Group Performance Share Plan		
11	Proposed Grant of Awards to Mr Aditya Wisnuwardana Seky Soeryadjaya		

*If you wish to exercise all your votes 'For' or 'Against', please tick (√) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of __________ 2016

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

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 81SF of the Securities and Futures Act, Chapter 289 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 (other than a Relevant Intermediary*), 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 (other than a Relevant Intermediary*) 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.

4. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him (which number or class of shares shall be specified).

5. Subject to note 9, 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.

6. 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.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorized 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 authorized. 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.

8. A corporation which is a member may authorize 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, and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.

9. An investor who holds shares under the Central Provident Fund Investment Scheme ("**CPF Investor**") and/or the Supplementary Retirement Scheme ("**SRS Investors**") (as may be applicable) may attend and cast his vote(s) at the Meeting in person. CPF and SRS Investors who are unable to attend the Meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the Meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the Meeting.

* A Relevant Intermediary is:

(a) a banking corporation licensed under the Banking Act (Cap. 19) or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or

(b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act (Cap. 289) and who holds shares in that capacity; or

(c) the Central Provident Fund Board established by the Central Provident Fund Act (Cap. 36), in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Personal Data Privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 13 April 2016.

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 72 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

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