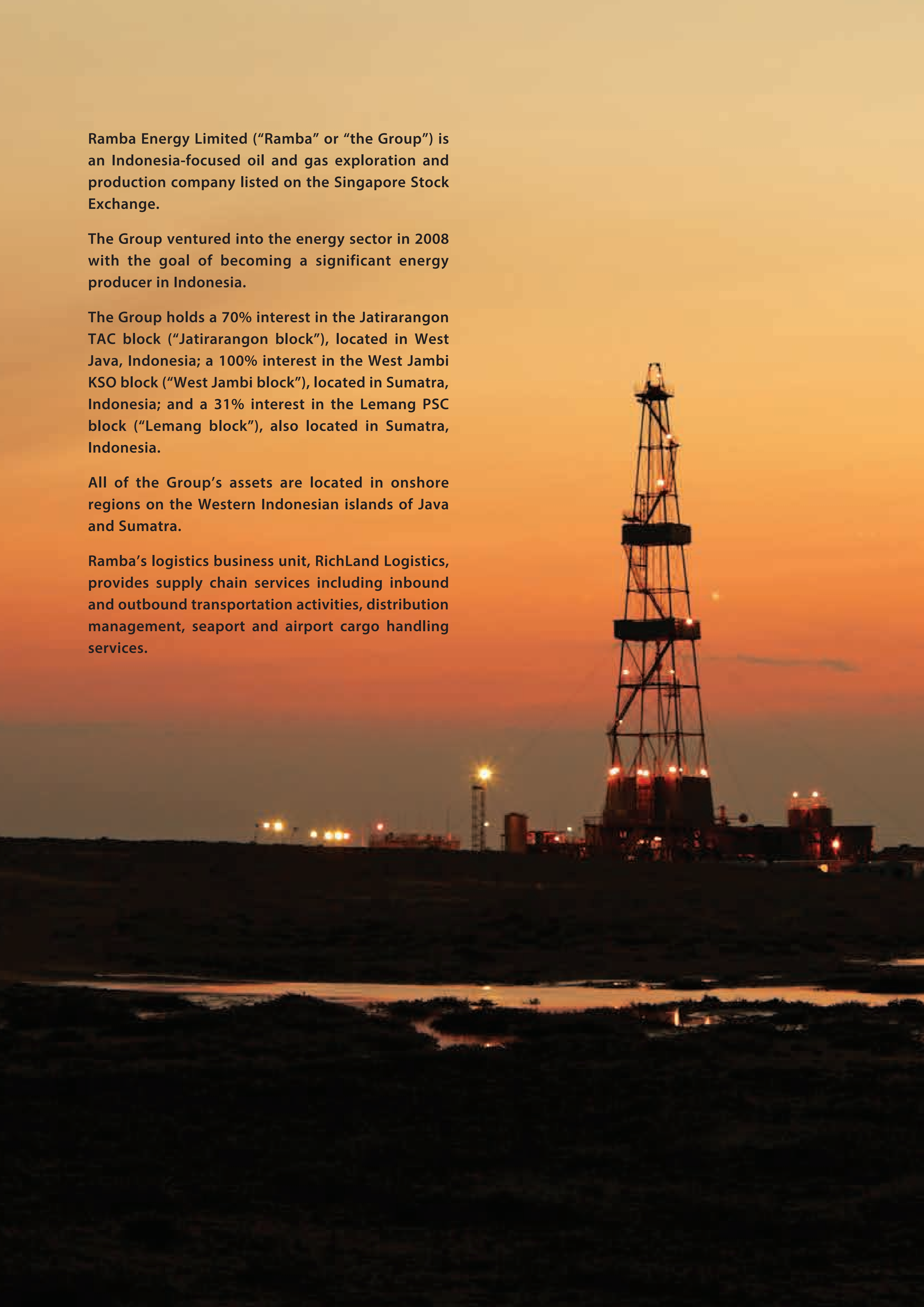
Ramba ENERGY

DELIVERING PROSPECTS

ANNUAL REPORT 2016



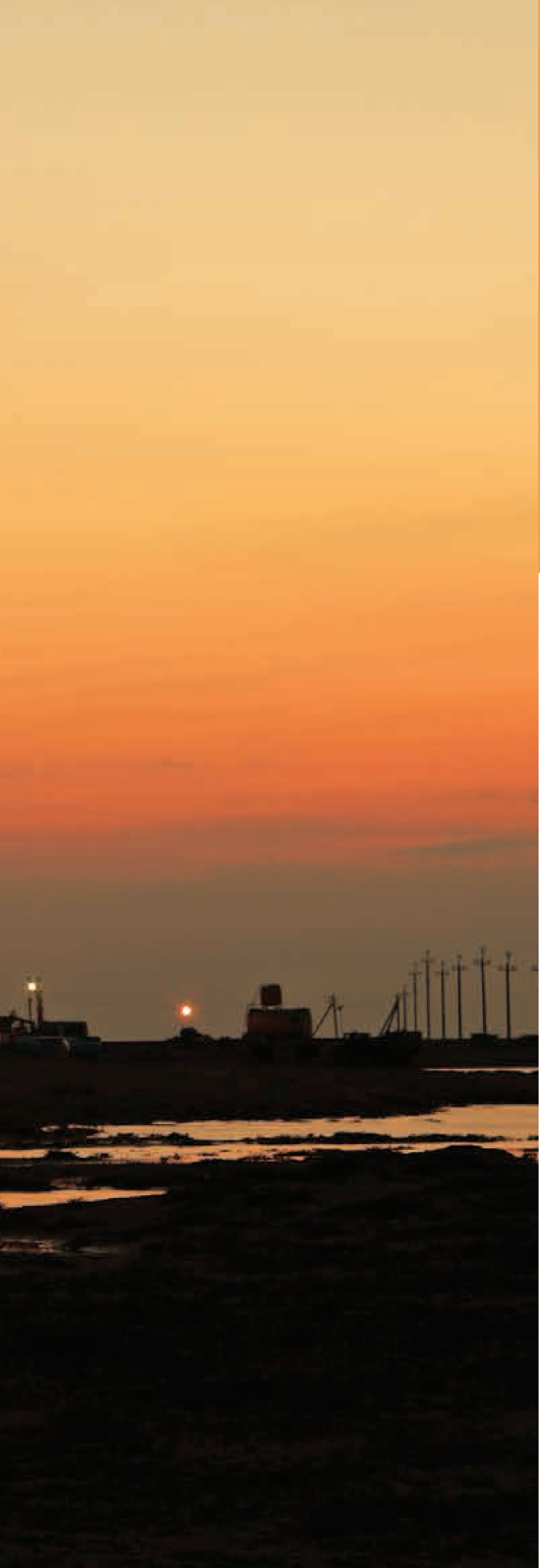
Ramba Energy Limited ("Ramba" or "the Group") is an Indonesia-focused oil and gas exploration and production company listed on the Singapore Stock Exchange.

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 31% 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, provides supply chain services including inbound and outbound transportation activities, distribution management, seaport and airport cargo handling services.



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CHAIRMAN'S STATEMENT

DEAR SHAREHOLDERS

I am pleased to present to you our annual report for the 12 months ended 31 December 2016 and highlight the milestones we have achieved since I last addressed you. Let me start off with the oil and gas segment.

2016 continued on a tentative note for the global oil market, with average crude oil spot prices hovering at a low level of about US$29 per barrel in January. Through the year, the global markets continued to be plagued by supply uncertainties and geopolitical tension. These factors converged to push crude oil prices through a series of volatile swings. Average crude oil spot prices strengthened particularly in the second half of the year on crude supply disruptions and production cuts by members of the Organization of Petroleum Exporting Countries (OPEC), ending the year on a stronger note of about US$52 per barrel. World demand for oil for 2016 remained firm, at 386.39 million barrels per day compared to 379.91 million barrels per day consumption in 2015, according to the International Energy Agency.

Closer home, Indonesia had suspended its membership within the OPEC late last year to avoid the organisation's oil production cuts for the country for 2017, reflecting the country's ambition to sustain its oil production. Due to depleting oil reserves, Indonesia's oil production for 2017 is however estimated to be lower at 780,000 barrels per day as set out in the state budget[1]. This forecast output is weaker than the 820,000 barrels per day estimated for 2016. Nevertheless, in an environment where oil prices are expected to move higher in 2017, it is inevitable that Indonesia, as a net oil importer, will press on to sustain the country's level of oil and gas production to reduce its dependence on imports.

ON TRACK TO DELIVER UPSTREAM PROSPECTS

I am delighted to report that 2016 was a notable year of progress for us despite the less-than-favourable macro-economic conditions and oil and gas industry.

In November 2016, we achieved first oil at our upstream Lemang block located in the Jambi and Riau provinces. This came after we received the necessary permits and approvals to commence production, following our commendable progress in our exploration efforts within the Akatara-Selong cluster.

The commencement of commercial production has made good our promise to our stakeholders that we are working hard to maximise the potential of our upstream assets so as to transform their prospects into concrete outcomes. This marked a historic milestone for Ramba as we embark on a long journey to extract value from our prospects.

FOCUSING ON INDONESIA

Despite its vast oil and gas reserves, Indonesia's underinvestment in its oil and gas fields is contributing to the decline in national production levels. It does not help that the persisting low energy prices is deterring international exploration and production players from increasing their investments and activities to raise their output. Nevertheless, with oil and gas being a significant component in the Indonesian fiscal budget, the government will likely adopt policies to increase its production and provable reserves. For this reason, the Indonesian government is moving encouragingly to attract investments, among which includes streamlining the permits process and speeding up of project approval.

Additionally, the country is also mapping out new incentives in a bid to raise its level of oil and gas production. Reflecting this, the Indonesian government announced, in January 2017, the beginning of a new production-sharing contract regime. The new rules set out that for new contracts, exploration and production companies will pay more of the overall costs of development and production, but instead will gain a greater share of revenue.

Against this backdrop, we are confident about our prospects in Indonesia. We will continue to work hard to develop our

[1] Indonesia's 2017 Budget Seeks Cautious Economic Expansion, ISEAS, 15 September 2016

DELIVERING UPSTREAM PROSPECTS

"The commencement of commercial production has made good our promise to our stakeholders that we are working hard to maximise the potential of our upstream assets so as to transform their prospects into concrete outcomes."

Mr Tan Chong Huat
Non-Executive Chairman

upstream assets that are still in exploration phase and put them into production according to schedule. As some of our oil and gas fields are in the exploration phase, we can still expect to continue incurring high capital costs to carry out the necessary exploration and development activities. Given the volatility in oil prices, we will stay prudent and continue to review our costs and capital expenditure requirements carefully.

GROWING LOGISTICS ON FIRM FOOTING

Our logistics arm, RichLand Logistics, faced one of the most challenging years in 2016 since the global financial crisis in 2008. The economic slowdown in its two main markets of Singapore and Indonesia impacted consumption growth and in turn, translated into lower customer volumes, particularly within Singapore.

In spite of the decline in volumes, RichLand Logistics' deep industry knowledge, vast experience and well-established customer relationships developed over the years equipped us to ride out the market turbulence. We continued to focus on right-sizing our logistics operations, constantly evaluating our entire value chain of services and the supporting resources needed to keep our firm lean and fighting fit operationally. The firm achieved commendable results in applying strong cost control and I am pleased to report that this resulted in improved gross operating margins for FY2016.

Looking ahead, the economic conditions are still looking rather benign for both Singapore and Indonesia. Business models are rapidly evolving as new technologies, digitisation and artificial intelligence take over and these changes are revolutionising logistics operations all over the world. For these reasons, RichLand Logistics is reinventing to deliver more to customers. In this regard, the firm is rolling out its proprietary software application which allows customers access to real time delivery data. This technology is significantly more cost effective for customers.

Beyond its core operations, the firm is also focused on accelerating its growth through various options and these may include new service offerings, partnerships and alliances or acquisitions. Strengthening its business development opportunity pipeline will be one of the top priorities for the firm this year.

GRATITUDE

On behalf of the Board, I would like to thank our CEO and shareholders who supported our rights-cum-warrants issue that was raised on 19 September 2016. The Group realised net proceeds of S$10.7 million which have been set aside largely for the payment of work activities relating to the work programme of our oil and gas block, loan repayment as well as for general working capital. This provided us the financial impetus to accelerate with our upstream programmes.

Finally, the progress that the Group has achieved in the past year would not have been possible without the valuable counsel and guidance from my fellow Directors. I would also like to thank our senior management and all stakeholders including the government authorities, business partners, bankers, employees and shareholders who have faithfully supported us in our journey.

We would also like to thank Mr Raymond Budhin and Ms Lanymarta Ganadjaja who stepped down as Non- Executive Director and Executive Director respectively on 30 March 2016 and 28 April 2016. We thank them for their valuable contribution and wish them continued success.

We look forward to your continued support as we take our businesses onto the next level in the years ahead.

Yours Sincerely,
Mr Tan Chong Huat
Non-Executive Chairman

CEO'S MESSAGE

FOCUSING ON EXECUTION

"Ramba Energy had a successful year in 2016 executing on its strategy of growing its upstream production, which brought us closer to realising our target of delivering our upstream prospects to generate long-term earnings."

Mr Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer and Executive Director

DEAR SHAREHOLDERS

Ramba Energy ("Ramba" or "the Group") had a successful year in 2016 executing on its strategy of growing its upstream production, which brought us closer to realising our target of delivering our upstream prospects to generate long-term earnings.

Ramba recorded a revenue of S$59.2 million for the year ended 31 December 2016 (FY2016). This was S$7.6 million lower than the S$66.8 million generated in the previous corresponding year. The decline was attributable mainly to lower logistics volume and rental income.

At the bottom line level, the Group incurred a net loss after tax attributable to shareholders of S$25.3 million compared to a loss of S$28.2 million in the previous corresponding year. This was due largely to lower impairment on our Jatirarangon oil and gas properties.

For FY2016, the Group maintain positive cash flow. During the year the Group raised S$10.7 million from the rights and warrant exercise, and S$12.0 million from proceeds on the farm-out of participating interest in our Lemang Block, which was completed in February 2016.

OIL AND GAS SEGMENT

I am heartened to report that the Group was on schedule last year in commencing production on our key asset, the Lemang Block located in the South Sumatra basin. We delivered first oil from the Akatara Field on 16 November 2016, with an initial peak production output of approximately 350 barrels of oil per day. This marked a significant milestone not only for Ramba, but also adds to the Indonesian oil production as we move towards meeting some of the country's energy needs in the longer term.

The leads and prospects within the Lemang Block are immense. And while we have commenced upstream production at the Akatara field, there are ample potential reserves which remain untapped. Together with our partner Mandala Energy, we are continuing to work hard towards pursuing the exploration potential of the Lemang Block. As part of our partnership agreement with Mandala Energy, we have sliding-scale future contingent payments that will provide capital to support the exploration and drilling activities in the Lemang Block.

For 2017, we expect to set aside approximately S$20 million in capital expenditure to support the drilling activities. We plan to drill five more wells in the Lemang Block, which should bring up our production level significantly by end of 2017.

Over at our West Jambi Block located in the Jambi Province, we have completed the drilling of the Kusuma-1 well in April 2016. The well was categorised as a suspended gas well. We have since begun preparations to drill the Kusuma-2 exploration well. We will be carrying out more detailed studies before drilling Kusuma-2.

As for our mature Jatirarangon Block, we expect to maintain its production level as it nears the end of its concession in 2020. However, the Group is considering seeking an extension.

LOGISTICS SEGMENT

Our Logistics segment contributed S$54.2 million to the Group revenue and generated S$1.3 million in segment profit for FY2016. Against the backdrop of weaker economic conditions, RichLand Logistics saw lower customer volumes.

On a brighter note, RichLand Logistics achieved a fruitful year of contract renewals with several repeat customers. This is a strong testament of the high-value proposition that the firm brings to its customers, as well as its well-entrenched relationships with them. During the year, the firm also commenced a new contract with the world's third largest global logistics company for air cargo services.

Looking ahead into 2017, our Logistics business remains focussed on increasing its value proposition to its customers across their entire supply chain and building greater stakeholder value. RichLand Logistics is positioned to ride out the persisting industry headwinds, having taken various strategic initiatives to right size its operations in 2016 and emerge as a much leaner operating structure. The firm is also building a strong capability that can be utilised across various segments of its customers' supply chain, as well as adapting innovation and technology into its logistics services, to strengthen productivity and efficiency.

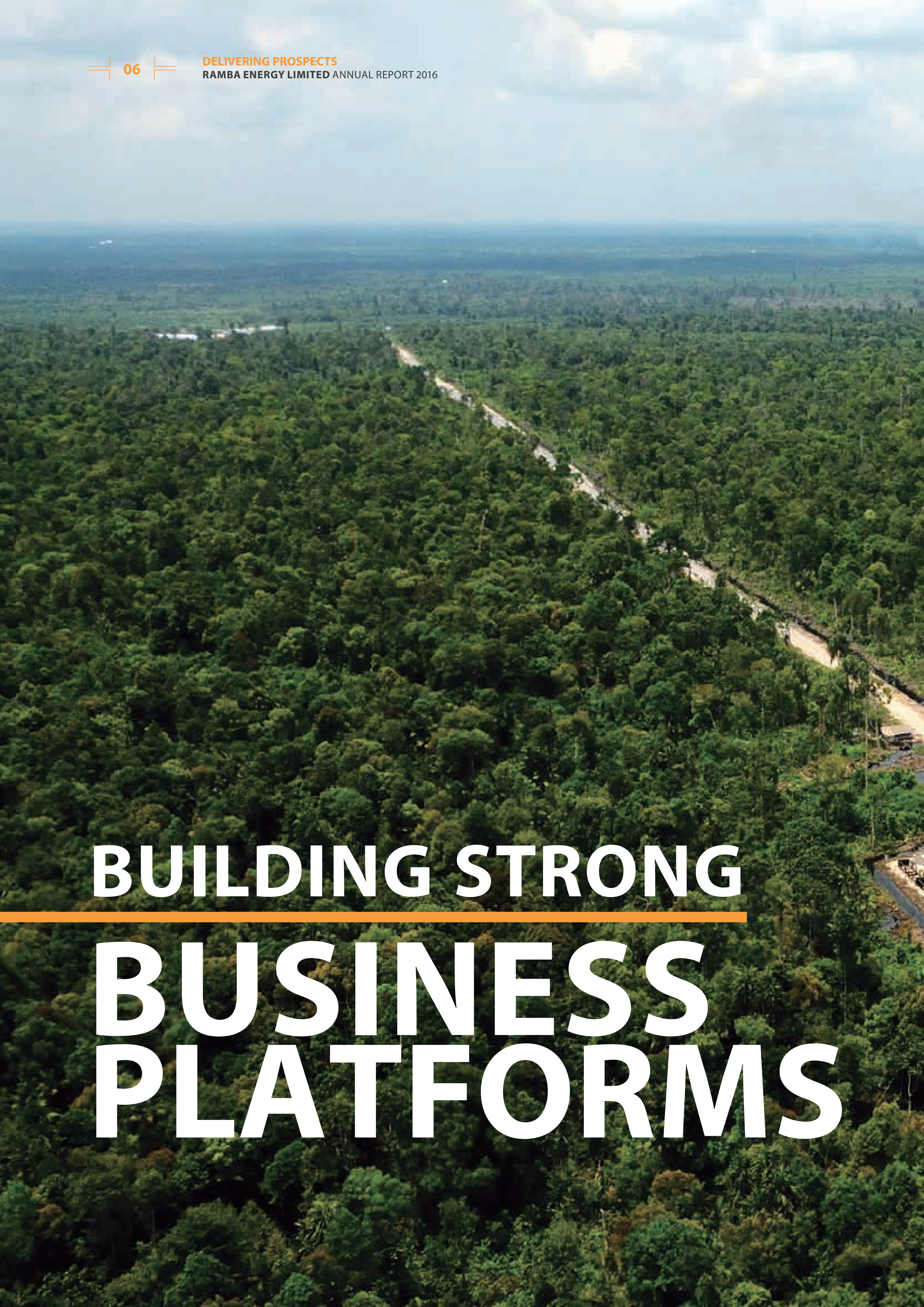
INCREASING SHAREHOLDER OUTREACH

Last year, we were heartened to have the opportunity to meet several of you, our shareholders, at our inaugural Shareholder & Investor Dialogue 2016 on 6 September 2016. We were able to share with you on how the Group is progressing with its efforts to build a profitable upstream business as well as strong and resilient logistics operations. We were grateful for the opportunity to update shareholders on our progress and would like to thank you for your continued interest and support of the Group's businesses. The team at Ramba remains steadfast in our commitment to keep our communications channels open so as to serve the interests of our investing community.

BUILDING FUTURE VALUE

One key priority for this year is to tap the flexibility and capability that we have to capitalise on the prospects of our assets. We will do this by taking into consideration our cash flows and the funding needs we require. We shall persevere to build shareholder value and seek your continued support to journey with us at Ramba.

Yours Sincerely
Mr Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer and Executive Director



BUILDING STRONG BUSINESS PLATFORMS

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. He also serves as a member of the International Management Board of Taylor Wessing and as the Managing Partner of RHTLaw 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 has 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 by IFLR1000 as a "Leading Lawyer" and by Legal 500 Asia Pacific as a "Leading Individual" for Corporate and Mergers & Acquisitions.

Chong Huat has been helping business owners and family businesses throughout his successful career. He has advised Asian and European high net worth clients in their M&A, listing, divestment, business succession planning, probate, wealth and asset preservation and protection, and family governance. As a trusted go-to adviser, Chong Huat has been appointed as administrator and trustee for the estate of his high net worth clients, as well as counsel in estate disputes involving families of leading Asian conglomerates.

Chong Huat is a Fellow with the Singapore Institute of Directors and sits on the boards as non-executive chairman, and independent director of several listed companies in Singapore. Some of them are government linked entities. He is a director of Ascendas Hospitality Fund Management Pte Ltd and Ascendas Hospitality Trust Management Pte Ltd which collectively have about S$1.6 billion asset under management currently. 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 also active in public service and charity work. He also sits as a Lay Person on the Institute of Singapore Chartered Accountants' Investigation and Disciplinary Panel. The Financial Planning Association of Singapore has also recently conferred on Chong Huat an honorary membership. Chong Huat was recently invited to be a member of the Selection Panel of SIM University Law School. He was until recently a council member of the Corporate Governance Council set up by the Monetary Authority of Singapore. He is the council member of the Singapore Road Safety Council as well as Chairman of the The Road Safety Park Committee. He is also a member of the International Affairs Committee of Singapore Chinese Chamber of Commerce & Industry. Chong Huat is also chairman of the RHT Rajan Menon Foundation. He is currently a council member and fund raising committee chairman of the Singapore Red Cross. He was previously a board member of World Wide Fund for Nature (WWF) Singapore and council member and audit committee chairman of the Football Association of Singapore. He has also established a National University of Singapore Grant in favour of the Law Faculty under the name of his deceased father. An award named RHT Tan Chong Huat Corporate Crime Award has also been established by the School of Law, Singapore Management University.

Despite his active practice, management duties and public service, Chong Huat continues to serve as an adjunct professorial faculty and lecture on a regular basis locally and overseas. He taught at the Law Faculty, National University of Singapore (AY 2007- 2013), Business School, National University of Singapore (AY 2008/2009), Nanyang Business School, Nanyang Technological University (AY 2008-2012) and various other universities in Asia. Besides authoring two leading literature on PRC Investment laws, he has co-authored leading titles on Corporate Governance and Corporate Finance Law.

BOARD OF DIRECTORS

MR ADITYA WISNUWARDANA SEKY SOERYADJAYA
Chief Executive Officer and Executive Director

MR DANIEL ZIER JOHANNES JOL
Commercial Director and Executive Director

MR LEE SECK HWEE
Chief Financial 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.A.

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.A., and a Master's Degree in Business Administration from National University of Singapore.

Mr Lee Seck Hwee is the Executive Director and Chief Financial Officer of 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 of United Kingdom 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, and a member of the Singapore Institute of Directors.

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, a Non-Executive Director of RHT Rajan Menon Foundation Limited and an independent Non-Executive Chairman of the Board and a member of the Risk Committee of RHT Capital Pte. Ltd. (RHT). RHT is a Capital Market Services (CMS) licence holder from the MAS and a Full Sponsor approved by the SGX. Mr Tay is an Independent Director of several public companies listed on the SGX Mainboard.

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 and Nominating Committees. Currently, he is the Vice-President of the Singapore Productivity Association and a Member of Ministry of Home Affairs – Community Involvement Steering Committee. He was appointed as Senior Advisor to the Government of Huzhou City, Zhejiang Province of the People's Republic of China.

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

In addition, he was a Member of the Resource Panel of the Government Parliamentary Committees for Home Affairs and Communications. He had also served 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 over 40 years.

BOARD OF DIRECTORS

MR CHEE TECK KWONG PATRICK
Independent Director

Mr Chee Teck Kwong Patrick, PBM, joined the Board as an Independent Director in March 2005. Mr Chee holds a Bachelor of Law (Hons) Degree from the University of Singapore. He is an Advocate and Solicitor of the Supreme Court of Singapore and a Solicitor of the senior courts of England and Wales. He has been in private legal practice since 1980. He is now a Senior Legal Consultant with Withers KhattarWong LLP, an international law firm. His areas of practice are corporate and commercial matters, banking and finance, cross-border joint ventures and investments, mergers and acquisitions and listing of companies. He has also advised on property law and has handled several landmark development projects in Singapore, Indonesia, Malaysia and China. He also conducts civil litigation and arbitration proceedings. He had initiated and was instrumental to the setting up of a full licensed KhattarWong's law practice in Vietnam.

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 had served several years in the sub-committee of National Crime Prevention Council, Singapore, and worked with National Productivity Board, Singapore in developing and seeing the successful launch of some well-known franchises in Singapore in the early 1990s.

From 2002 to 2013, Mr Chee was the Organising Chairman of the "National Street Soccer League – Lee Hsien Loong Challenge Trophy".

He also sits on the Board of several public listed companies including Hai Leck Holdings Limited, CSC Holdings Limited and China International Holding Limited. He is also Honorary Legal Advisor to Hospitality Purchasing Association Singapore and several big clans and trade associations in Singapore.

Mr Chee is the recipient of the National Day Awards 2003 – "The Public Service Medal (Pingat Bakti Masyarakat)" from the President of Republic of Singapore.

SENIOR AND TECHNICAL MANAGEMENT

MR COLIN MORAN
Logistics Director

MR BAMBANG SATYA MURTI
Head of Exploration

MR SUTIKNO YUDI SUHARJO
General Manager

Colin Moran is the Logistics Director responsible for the corporate and strategic management of the Logistics group which trades under the brand RichLand Logistics in Singapore and Indonesia.

He joined the group in 2010 and is a member of the Board of Directors of RichLand Global Pte Ltd, the holding company of RichLand Logistics.

Colin brings over 25 years of experience, expertise and leadership to the organisation after having worked for one of the world's largest Logistics organisations for 20 years.

His ambition is to make RichLand Logistics one of the largest Southeast Asian-based logistics companies by combining organic and geographic growth with service expansion whilst seeking out and leveraging strategic acquisitions to deliver potential accelerated growth and expansion.

He has in-depth experience in the contract logistics, express courier and freight forwarding industries specific to the Asia Pacific region after having spent over 23 years in South East Asia.

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, ConocoPhilips and Haliburton. His last posting was to manage a team to maximize the productivity of seven brown fields in South Sumatra.

Mr Murti is an expert in conducting and leading integrated 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 Indonesian Association of Geologists (IAGI).

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.

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.


5B

OPERATIONS REVIEW

A COMMENDABLE PERFORMANCE IN A DIFFICULT YEAR

OPERATIONS REVIEW

LOGISTICS SEGMENT REMAINS A SIGNFICANT CONTRIBUTOR

Ramba Energy ("Ramba" or the "Group) reported total revenue of S$59.2 million for the year ended 31 December 2016 ("FY2016"). This represented an 11.4% decrease from the previous year. A significant portion of revenue was underpinned by the Group's logistics business unit, RichLand Logistics, which performed commendably despite the difficult macro-economic and tough business conditions. It contributed S$54.2 million to overall Group revenue in FY2016. This was slightly lower than FY2015's S$60.4 million, with the drop mainly due to lower volume handled by transportation and the exit from low margin business amidst the restricted labour market.

The Oil and Gas segment contributed S$2.6 million to the top-line in FY2016, compared to S$2.9 million a year ago. The more modest revenue in FY2016 was due mainly to lower gas production. Oil production from Lemang commenced in mid-November 2016, generating oil revenue of S$0.1 million for FY2016.

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$25.3 million in FY2016. This is slightly improved from the net loss of S$28.2 million a year ago.

The reduction of net loss was mainly attributable to the Group's lower total costs and operating expenses, which fell 10% year-on-year to S$87.5 million. The reduced service costs and related expenses of S$4.2 million were in line with the lower logistics volume in FY2016. The Group's other operating expenses also fell by S$6.7 million mainly due to an exchange gain, lower allowance of doubtful other receivables and reduced impairment loss.

These were however offset against loss on farm out of participating interest of S$1.8 million. This loss was recognised upon milestone receipt of consideration against full cost on participating interest.

BALANCE SHEET

Non-current assets decreased by S$16.3 million to S$64.4 million mainly due to lower oil and gas properties and investment in exploration and evaluation assets. The reduction of S$21.1 million was mainly due to farm out of Lemang participating interest totalling S$17.3 million and impairment loss on Jatirarangon oil and gas properties of S$10.9 million in FY2016, offset against an increase in oil and gas activities for West Jambi and Lemang field of S$6.4 million. Higher other receivables of S$6.2 million was mainly due to advances provided to a joint venture partner.

Current assets increased by S$21.6 million mainly from other receivables. The increase in other receivables by S$24.3 million was mainly due to cash call advance to a joint venture partner and advances to non-controlling interest holder of PT Hexindo Gemilang Jaya. This is offset against lower trade receivables of S$2.2 million mainly due to an allowance for doubtful debt provided during the year.

Current liabilities rose S$14.2 million mainly due to higher loans and borrowings repayable within the next 12 months and amount due to a joint venture partner of S$13.0 million.

SEGMENT PERFORMANCE

RichLand Logistics posted a segment profit of S$1.3 million in FY2016, compared to S$3.1 million a year ago. This was attributable to the lower logistics volume, impairment charge on intangible assets and an allowance of doubtful trade receivables. The rental segment recorded a loss of S$1.1 million in FY2016 against a profit of S$1.1 million in the previous year on lower rental income.

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's subsidiary RichLand Logistics pitched in for the Indonesian community by supporting education causes, providing financial support for needy young children and youths. The firm became a corporate sponsor of the education funding requirements of 30 students from the Yayasan Kampung Kids, a foundation founded in 1999. Under the foundation's scholarship programme, RichLand Logistics' donation helped fund the students' tuition fees, school uniforms, school supplies and meals during their new school year which commenced in July 2016. The sponsored students included those from elementary schools, junior and senior high schools.

OPERATIONS REVIEW

Apart from education causes, RichLand Logistics also supported sports causes by committing to a special local foundation in Jakarta to sponsor young and underprivileged children to attend a soccer training school at Valencia Football Club at Valencia, Spain, in December 2016. This foundation's initiative provided the children a valuable training programme at a soccer camp to nurture their budding sporting talents.

The Group remains committed to charitable endeavours and bringing benefits to the communities in which it operates.

OUTLOOK

The Group believes in the long-term potential of its oil and gas assets in Indonesia. With oil and gas being a significant component of the Indonesian fiscal budget, the Indonesian government is expected to continue with its measures to raise the country's oil and gas production and build up provable reserves to meet the nation's growing energy needs.

As at 31 December 2016, oil and gas assets constitute a significant 76.6% of the total Group assets. The Group is continuing with its exploration and production work programmes for its oil and gas assets, focusing on yielding returns for the benefit of all shareholders.

OIL & GAS REVIEW

OIL & GAS: INDONESIA AIMS TO STEP UP LOCAL PRODUCTION TO MEET DOMESTIC DEMAND

OVERVIEW

With the persisting weakness in global oil prices since mid-2014, the Indonesian government has taken steps to encourage oil and gas producers to invest more in the country in order to sustain the level of national production.

Indonesia, which possesses 3.69 billion barrels of oil in proven reserves according to the United States Energy Intelligence Administration's International Energy Statistics, has one of the largest untapped potential in Asia - after China, India, Vietnam and Malaysia.

While it has a promising level of reserves, Indonesia remains a net importer of oil as the country's lack of exploration and investments has curbed its oil production output which in turn lagged the strong domestic demand. According to research by global energy consultancy firm Wood Mackenzie, Indonesia's oil production level was estimated to be 800,000 barrels per day (bpd) in 2016 and this could decline further to around 500,000 bpd in 2019[1]. To meet the strong domestic demand, Indonesia is estimated to have imported oil volume of about 800,000 bpd in 2016, which could rise further to around 1.2 million bpd in 2019[1].

In a move to get energy players to invest more in upstream activities, the Indonesia government is planning to remove taxes on oil and gas explorers, as announced in September 2016. Previously, the government required oil and gas firms to pay taxes during exploration phase and to claim reimbursement only after the production commences. Among the taxes that would be waived include the added-value tax, land tax, import duties and various levies charged by local governments in the country[2].

As a niche player in the Indonesian oil and gas sector, Ramba understands the unique opportunity to progress in its efforts to maximise the value of its Indonesian oil and gas portfolio so as to 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: EXECUTION PLANS ON TRACK

Ramba's strategy is to explore, develop and maximise the potential of its onshore assets located in proven geological basins in Western Indonesia.

The Group's Lemang block started its first oil production at Akatara Field on 16 November 2016. This came after the Akatara Field received approval of the first Plan of Development in August 2015, and the forestry lease permit to perform oil and gas exploitation from the Ministry of Forestry and Environment on 15 November 2016. The Group, together with its partner Mandala Energy, is pursuing leads and prospects within the Lemang block.

At the West Jambi block, Ramba commenced drilling two exploration wells in the block in 2015 and has since successfully completed the drilling of Kusuma-1 well in April 2016.

The Jatirarangon block, which has been in Ramba's portfolio since 2010, is a producing asset. Gas currently produced from the block is supplied to PT Perusahaan Gas Negara.

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1 Indonesia's oil imports may swell to US$40b in 2019: Analyst, The Jakarta Post, 26 May 2016

2 Indonesia Plans to Scrap Some Taxes on Oil and Gas Exploration, The Wall Street Journal, 23 September 2016

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 2016, 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	3,642	0	350	1,129	0	245
Probable	7,920	275	57,718	2,455	85	18,005
Possible	31,545	119	55,188	9,779	37	17,221

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. During 2016, Ramba divested a portion of its interests in the Lemang field, thereby reducing its share from a 51-percent to a 31-percent working interest.

CONTINGENT RESOURCES

The estimated gross and working interest 1C, 2C and 3C of contingent resources of certain properties in Indonesia in which Ramba has represented that it owns an interest, as of 31 December 2016, 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 contingent resources evaluated herein.
3. All contingent resources estimated herein have an economic status of Sub-Marginal.

OIL & GAS REVIEW

LEMANG BLOCK, SUMATRA, INDONESIA

OVERVIEW

The Lemang block is located in Jambi and Riau provinces, Sumatra, Indonesia. Being in the South Sumatra basin, the block has 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. Subsequent to the completion farm-out of the Lemang block to KKR ("Kohlberg Kravis Roberts & Co") backed Mandala Energy in February 2016, Ramba retains a 31% participating interest in the Lemang block and remains as the operator.

The Lemang PSC agreement expires in 2037.

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.

DELIVERING FIRST OIL

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 Ministry of Forestry and Environment issued the forestry lease permit on 15 November 2016 to perform oil and gas exploitation (the "Lease Permit") for the Akatara Field located in the Lemang block.

With the issuance of the Lease Permit, the Lemang Block started its first oil production on 16 November 2016. The production of first oil at Akatara Field is a significant milestone for Ramba, and in light that it was the first new oil production in a while, it was a milestone on its own to the Indonesian Oil & Gas Industry.

FUTURE PLANS

The commencement of production reflected Ramba's strategy of realising value from its investment in Lemang. The initial peak production was approximately 350 barrels of oil per day from the Akatara-2 well. The Group's immediate focus is to develop the Akatara Field further and expect production to steadily increase as it puts other wells online and drill additional development wells in 2017 and onwards.

OIL & GAS REVIEW

JATIRARANGON BLOCK, WEST JAVA, INDONESIA

OVERVIEW

The Jatirarangon block – Ramba's 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. 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. 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.

LONG-TERM REVENUE FROM GAS PRODUCTION

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").

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 programme.

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.

FUTURE PLANS

Despite the impairment charge on the Jatirarangon block in 2016, the Group expects to maintain production from the Jatirarangon block in the near future.

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 programme 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. The drilling of Kusuma-1 well was successfully completed in April 2016, performing five tests in that process. The well was categorised as a suspended gas well and a full study is expected to be carried out in the future. We are also carrying out more detailed studies before drilling Kusuma-2.

LOGISTICS REVIEW

RESILIENCE IN A TOUGH YEAR

OVERVIEW

The year 2016 was challenging for Ramba Energy's wholly-owned subsidiary, RichLand Logistics. The global economic slowdown impacted market conditions in Singapore and Indonesia, resulting in a lower level of logistics activities. The company experienced decreased customer volumes, particularly within Singapore. The Fast Moving Consumer Goods sector, Singapore container haulage volumes, and the Petrochemical business were among the sectors which witnessed significant weakness.

EARNINGS REVIEW: 2016: A PROFITABLE YEAR

RichLand Logistics recorded a revenue of S$54.2 million in FY2016 compared to S$60.4 million in FY2015. The decline was due mainly to lower customer volume. It also reported lower profit mainly due to impairment charge on intangible assets of S$0.6 million and an allowance of doubtful trade receivables of S$0.8 million.

STREAMLINED OPERATIONS KEEPS FIRM ON EXEMPLARY FOOTING

As an established logistics solutions provider in Singapore with more than 20 years of experience in the market, RichLand Logistics has earned a longstanding reputation as a leading logistics company for warehousing and distribution, airport cargo services and container haulage in the Singapore market. It has over the last four years built a sustainable positive cash flow business in the Indonesian market place to diversify its revenue base and to provide a new market for growth.

RichLand Logistics employs more than 900 full time and contract employees. It operates over 225 trucks and more than 200 trailers which are either owned or leased by RichLand Logistics. The firm also utilises over 150 subcontractor vehicles on a daily basis to support its volume within Indonesia. RichLand manages more than 1,250,000 square feet of warehousing capacity, and delivering more than 2 million tonnes of cargo per year.

Despite a challenging economic climate in 2016, RichLand Logistics renewed major contracts with its customers within the Electronics and Petrochemical sectors for a further three years and one year respectively, a strong testament of the firm's high service standards and cost effectiveness despite the highly competitive environment.

It also commenced a new contract with the third largest global logistics company in the world for inbound air cargo services in Singapore.

LOGISTICS REVIEW

Gaining efficiencies and reducing costs were high on the list of priorities at RichLand Logistics amidst the economic slowdown. Last year, it took the opportunity to right size its operations, focussing on applying strong cost controls so as to sustain its gross operating profit margins. Its focus on right sizing paid off encouragingly. Reflecting this, the firm delivered a year-on-year improvement on its gross margin across the consolidated business of Singapore and Indonesia despite the significant volume declines across the business.

A SUBDUED YEAR FOR INDONESIAN OPERATIONS

RichLand Logistics, which diversified into the Indonesian market in 2010, witnessed one of the biggest challenges in the oil and gas sector during 2016. As a diversified logistics provider in Indonesia with capabilities in warehousing, transport, marine logistics and project logistics, RichLand Logistics had previously prioritised the oil and gas sector as a target market, as oil and gas logistics operations are integral to meeting the region's energy needs.

However, due to the persisting down-cycle of the oil and gas industry in 2016, RichLand Logistics faced a moderated level of oil and gas-related work volume. On a brighter note, the company secured a one-year extension on all three of its major petrochemical-related projects in Indonesia.

Indonesia remains an important market for RichLand Logistics. The country is not only a strategic gateway to investments in the Southeast Asian region, it also boasts a sizeable domestic market and attractive labour and land costs. The oil and gas industry prospects are also undergirded by government's supportive stance aimed at increasing the country's oil production output.

As at end-December 2016, the firm employs over 400 staff members in Indonesia and manages four domestic facilities in Java with over 700,000 square feet of warehouse capacity. In 2016, RichLand delivered over 1 million tonnes of cargo throughout the country, mainly for the petrochemical plastics industry.

PREPARING FOR THE FUTURE

INNOVATING TO SUSTAIN COMPETITIVE LEAD

As an asset owner and operator, RichLand Logistics is continuously investing in assets and systems to offer its customers considerably greater control in the management of services and operations. Logistics buying patterns are also changing rapidly, with customers that are more willing to consider paying for greater speed, better efficiency, increased automation and high quality integrated logistics solutions. For these reasons, harnessing technology to increase productivity and developing cutting edge solutions to meet customers' needs are major imperatives for RichLand Logistics.

To that end, the firm is pushing ahead with its own proprietary application based technology, which allows customers to access real time delivery data and to dramatically improve transparency and speed of information flow. This technology is significantly more cost effective, user friendlier, and faster compared to the old legacy systems which are inflexible, come with high fixed costs and long lead times to tailor to specific customer needs, or even to innovate process flows.

BUILDING STRONG CAPABILITIES ACROSS SUPPLY CHAINS

Having emerged operationally leaner after right sizing in 2016, RichLand Logistics is on a firm footing for sustainable growth in 2017. As a third party logistics provider, RichLand Logistics aims to manage on behalf of its customers every aspect of services in house in order to provide its customers the best visibility and control as well as cost effective solutions throughout the entire supply chain.

Operationally, the company is focused on building a strong capability that can be utilised across numerous segments of its customers' supply chains. For instance in Singapore, RichLand Logistics has the capability to handle customs brokerage, container collection, delivery to the warehouse, warehouse management and end delivery to the final customer. Beyond that, it is also building its capability between Singapore and Indonesia to handle end-to-end supply chain flows for its customers within these two significant economies.

SEEKING GROWTH OPPORTUNITIES

Apart from seeking organic growth, RichLand Logistics is on the lookout for ways to accelerate its growth through various options available to the firm. These may include a) new service offerings b) partnerships and alliances or c) acquisitions where value can be created for shareholders, customers and RichLand Logistics. The firm is expanding its business development team in Singapore and Indonesia to seek out new business opportunities.

Notwithstanding the tentative mood of the Singapore and Indonesian economies and the on-going volatility of the oil market going into 2017, it is noteworthy that the year commenced on an optimistic note on the back of a new warehousing contract secured in Indonesia which has commenced in February 2017. The firm will seek to adapt and thrive in the midst of these unpredictable times.

CORPORATE INFORMATION

REGISTERED OFFICE

29A Club Street
Singapore 069414
Tel: 65 62238022
Fax: 65 62233022

Website: **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

Lee Seck Hwee
Chief Financial Officer/Executive Director

Chee Teck Kwong Patrick
Independent Director

Tay Ah Kong Bernard
Independent Director

AUDIT COMMITTEE

Tay Ah Kong Bernard
Tan Chong Huat
Chee Teck Kwong Patrick

NOMINATING COMMITTEE

Chee Teck Kwong Patrick
Tan Chong Huat
Tay Ah Kong Bernard

REMUNERATION COMMITTEE

Chee Teck Kwong Patrick
Tan Chong Huat
Tay Ah Kong Bernard

COMPANY SECRETARY

Chew Kok Liang

AUDITORS

Ernst & Young LLP

Partner-In-Charge
Chan Yew Kiang
(With effect from financial year
ended 31 December 2016)

SHARE REGISTRAR

RHT Corporate Advisory Pte. Ltd.
9 Raffles Place
#29-01 Republic Plaza Tower 1
Singapore 048619

PRINCIPAL BANKERS

Oversea-Chinese Banking Corporation Limited
DBS Bank Limited
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 emphasise transparency, accountability, integrity and proper conduct at all times in the business operations and dealings of the Group so as to create value for its stakeholders and safeguard the Group'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.

As at the date of this report, the Company is headed by an effective Board comprising six (6) directors of whom three (3) are Executive Directors, one (1) is Non-Executive and Non-Independent Director and two (2) are Independent Directors. Their combined wealth and diversity of skills, experience, and knowledge of the Company enable 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, acquisitions and disposals 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;

CORPORATE GOVERNANCE REPORT

- 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 and 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.

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 (3) 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 2016 ("**FY2016**"), the Board held a total of six (6) meetings. Besides the scheduled meetings, the Board meets on a regular basis as and when necessary, to address any specific significant matters that may arise.

The Company's 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 transactions.

The frequency of meetings and the attendance of each Director at every Board and Board Committee meetings for FY2016 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	6	6	5	5	5	5	1	1
Mr Aditya Wisnuwardana Seky Soeryadjaya	6	5	5	4*	5	1*	1	1*
Mr Daniel Zier Johannes Jol	6	5	5	3*	5	2*	1	1*
Ms Lanymarta Ganadjaja[1]	6	1	5	1*	5	1*	1	1*
Mr Chee Teck Kwong Patrick	6	6	5	5	5	5	1	1
Mr Tay Ah Kong Bernard	6	6	5	5	5	5	1	1
Mr Raymond Budhin[2]	6	–	5	–	5	–	1	–
Mr Lee Seck Hwee[3]	6	6	5	5*	5	4*	1	1*

* By Invitation

1 Ms Lanymarta Ganadjaja retired during the Annual General Meeting ("**AGM**") held on 28 April 2016

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

3 Mr Lee Seck Hwee was appointed during the AGM held on 28 April 2016

CORPORATE GOVERNANCE REPORT

Matters Requiring Board Approval

Aside from carrying out its normal duties, the Board 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.

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 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 Group's operations or business issues from Management. The Chairman or the Chief Executive Officer ("**CEO**") or the Company Secretary will make the necessary arrangements for the briefings, informal discussions or explanations as and when required.

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

The Board as a whole is updated regularly on risk management, corporate governance, insider trading (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.

CORPORATE GOVERNANCE REPORT

BOARD COMPOSITION AND GUIDANCE

Principle 2: There should be a strong and independent element on the Board, which is able to exercise objective judgement 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
Mr Lee Seck Hwee (*appointed during the AGM held on 28 April 2016*)

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr Chee Teck Kwong Patrick
Mr Tay Ah Kong Bernard

The Board has adopted the Code's criteria of an independent director in its review and is of the view that all Independent, Non-Executive Directors have satisfied the criteria of independence. Although the Independent Directors do not make up half 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 ("**CFO**") 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 nine (9) years, with the assistance and advice from an independent consultant in 2015. As there were no changes in Mr Chee Teck Kwong Patrick's disclosures in FY2016 and by taking into consideration the relevant factors set out under Principle 4 on pages 31 to 32, the NC, with the concurrence of the Board, considered Mr Chee Teck Kwong Patrick remained independent in FY2016. He abstained from participating in the discussion and voting on any resolution related to his independence.

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 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 11 of the Annual Report.

CORPORATE GOVERNANCE 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 and Board Committees' 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. As the Chairman, Mr Tan Chong Huat 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;
- Setting the meeting agenda of the Board with the assistance of the Company Secretary;
- 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 Management, and between the Executive Directors and Independent Directors ensuring 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.

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, formulating business strategies, the development of the Group, the 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.

CORPORATE GOVERNANCE REPORT

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 (3) 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 Management and is not directly associated with 10% shareholders, whom could impair his fair judgement. 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 one (1) meeting during the financial year. Pursuant to the Company's Constitution, each Director of the Company shall retire from office at least once every three (3) 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 (3) years. Regulation 111 of the Constitution requires one-third of the Board to retire and submit themselves for re-election by shareholders at each AGM. In addition, Regulation 122 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	28 April 2016
Mr Aditya Wisnuwardana Seky Soeryadjaya	Chief Executive Officer and Executive Director	30 June 2008	28 April 2016
Mr Daniel Zier Johannes Jol	Commercial Director and Executive Director	17 November 2008	30 April 2015
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 Lee Seck Hwee[#]	Chief Financial Officer and Executive Director	28 April 2016	N.A.

\# Mr Lee Seck Hwee was appointed during the AGM held on 28 April 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/her 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. 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. Currently, the Company does not have any alternate director.

Particulars of interests of Directors who held office at the end of the financial year in shares, share options and warrants 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 (9) years is still independent, the Board has taken into consideration the following factors:–

a. There was a change of the composition of the Executive Directors, 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 Board Committee meetings.

CORPORATE GOVERNANCE REPORT

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 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 in meetings.

g. The Independent Director provides overall guidance to Management and act as safeguard for the protection of Group's assets and shareholders' interests.

h. The Independent Director is the Chairman of the NC and RC and has led the Board Committees effectively in making independent and objective decisions.

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 (9) 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-elections of the Mr Daniel Zier Johannes Jol and Mr Tay Ah Kong Bernard, who are retiring at the forthcoming AGM.

The key information regarding Directors such as academic and professional qualifications, Board Committees served, directorships or chairmanships both present and past held over the preceding three (3) years in other listed companies and other major appointments, whether the appointment is executive or non-executive are set out on pages 46 to 49 of the Annual Report.

BOARD PERFORMANCE

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

In line with the principles of good corporate governance, the Board has implemented a process to evaluate the effectiveness of the Board as a whole and its Board Committees. The performance criteria includes, but is not limited to, financial targets, the contribution by Directors, their expertise, their sense of independence and their industry knowledge. This encourages constructive feedback from the Board and leads to an enhancement of its performance over time.

The Board has met to discuss the evaluation of the Board and its Board Committees and has adopted a formal evaluation processes to assess the effectiveness of the Board as a whole, its Board Committees and individual Board member performance. 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 extent of their attendance, participation and contributions in the proceedings of the meetings are the factors taken into consideration for their respective re-nomination. The evaluation results of the Board, its Board Committees and individual Board members 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.

CORPORATE GOVERNANCE REPORT

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 Management 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 meetings to enable the Board to be properly informed of matters to be discussed and/or approved. The 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.

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, 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 (3) 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.

CORPORATE GOVERNANCE REPORT

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 of 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 recommendations 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.

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 53 to 55 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, the 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.

CORPORATE GOVERNANCE REPORT

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 take into account factors, including but not limited to the effort, 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 and a variable component, which is inclusive of bonuses, based on the performance of the Group as a whole, the individual Director 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 (3) Executive Directors, namely (1) Mr Aditya Wisnuwardana Seky Soeryadjaya, (2) Mr Daniel Zier Johannes Jol and (3) Mr Lee Seck Hwee 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 (6) 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 Directors (only those who were in service for FY2016) is as follows:

Directors

Names	Salary (%)	Bonus (%)	Other Benefits (%)	Share Options (%)	Share Awards (%)[6]	Directors' Fees (%)	Total (%)
S$1,000,000 to S$1,250,000							
Daniel Zier Johannes Jol	27.07	2.27	5.86	0.00	64.80	0.00	100
S$500,001 to S$750,000							
Aditya Wisnuwardana Seky Soeryadjaya[1]	48.63	12.79	5.68	0.00	32.90	0.00	100
Lee Seck Hwee[2]	38.33	3.22	3.70	0.00	54.75	0.00	100
S$250,001 to S$500,000							
Tan Chong Huat[3]	0.00	0.00	0.00	0.00	53.29	46.71	100
Chee Teck Kwong Patrick[3]	0.00	0.00	0.00	0.00	52.91	47.09	100
Tay Ah Kong Bernard[3]	0.00	0.00	0.00	0.00	52.91	47.09	100
Below S$250,000							
Lanymarta Ganadjaja[4]	45.41	0.00	12.21	0.00	42.38	0.00	100
Raymond Budhin[5]	0.00	0.00	0.00	0.00	0.00	100	100

Notes:

(1) Son of substantial shareholder, Mr Edward Seky Soeryadjaya.

(2) Appointed during AGM the held on 28 April 2016.

(3) Directors' Fees for FY2016 were approved by shareholders on 28 April 2016.

(4) Retired during the AGM held on 28 April 2016.

(5) Resigned on 30 March 2016.

(6) Share Awards vested by the Company during the financial year.

Top Two (2) Key Management Personnel of the Group

As at the date of this report, there are only two (2) key management personnel of the Group and the gross remuneration received by these two (2) key management personnel is as follows:–

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

The aggregate total remuneration paid to the two (2) key management personnel (who are not Directors or the CEO) for FY2016 is approximately S$1,186,000.

CORPORATE GOVERNANCE REPORT

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

There are no employees who are immediate family members of a Director or CEO during FY2016.

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

CORPORATE GOVERNANCE REPORT

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.

The Directors have received assurances from the CEO, the CFO and Management of the subsidiaries in the form of representation letters that (a) the financial records have been properly maintained, the financial statements are 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 the reviews performed by the Management and the Board with the concurrence of the AC, the Board is of the opinion that the Group's system of internal controls and risk management procedures are adequate and effective as at 31 December 2016, in addressing the financial, operational (including information technology) and compliance risks of the Group. The Board 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 (3) 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.

CORPORATE GOVERNANCE REPORT

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 August 2014 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;

- 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

- Consider and make 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.

CORPORATE GOVERNANCE REPORT

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$148,000 and S$77,000 respectively for the financial year ended 31 December 2016.

In July 2010, SGX-ST and ACRA launched the “Guidance to Audit Committees on Evaluation of Quality of Work performed by External Auditors” (the “**Guidance**”) which aims to facilitate the AC in evaluating the external auditors. In October 2015, with the support from SGX and Singapore Institute of Directors, ACRA issued the “Audit Quality Indicators (“**AQIs**”) Disclosure Framework to assist the AC in the said evaluation. Accordingly, the AC had evaluated the performance of the external auditors based on the AQIs, such as performance, adequacy of resources and experience of their audit engagement partner and auditing team assigned to the Group’s audit, taking into account the size and complexity of the Group.

The AC has discussed and noted, together with the external auditors and the Management, on the approach and methodology applied by the external auditors in relation to the assessment of judgements and estimates on the significant matters reported in the Key Audit Matters.

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, has confirmed that they are a Public and Chartered Accounting Firm registered with Accounting & Corporate Regulatory Authority and 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 auditor 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.

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. as its internal auditors ("**IA**"), which work together with the Company's internal compliance department, and conducted the internal audits for FY2016.

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

The AC reviewed and approved the annual internal audit plans, ensured that the internal 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 assist 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 of the Board and senior management.

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

The AC also met with the internal 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 the IA.

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 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 two (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 meetings personally.

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

CORPORATE GOVERNANCE REPORT

Communication with Shareholders

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

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

Communication is made through:–

- Annual reports that are prepared and sent to all shareholders. The Board ensures that the annual report includes all relevant information about the Company and the Group, including future developments and other disclosures required by the Singapore Companies Act and Singapore Financial Reporting Standards;

- Quarterly announcements containing a summary of the financial information and affairs of the Group for that period;

- Notices of an explanatory memoranda for AGM and EGM;

- Press and news releases on major developments of the Company and the Group;

- Disclosure of all major announcements to the SGX-ST; and

- The Company's website at http://www.ramba.com at which our shareholders can access financial information, corporate announcements, press releases, annual reports and a profile of the Group.

The Company does not practice selective disclosure 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 and/or the relevant circular with notice of EGM.

Conduct of Shareholder Meetings

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 general meetings to ensure a high level of accountability and to be updated on the Company's strategies and goals. Notice of the general meetings 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 twenty-one (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 the Board in addressing any relevant queries by the shareholders.

CORPORATE GOVERNANCE REPORT

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 two (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (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 Investor**") (as may be applicable) may attend and cast his/her vote(s) at the general meeting in person. CPF and SRS Investors who are unable to attend the general meeting but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint the Chairman of the general meeting to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the general 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 are put to vote by poll. To promote greater transparency and effective participation, the Company has implemented the system of voting of all its resolutions by poll at all its general meetings since the general meetings for the financial year ended 31 December 2015. Results of each resolution put to vote at the AGM and EGM 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 and EGM, immediately at the AGM and EGM 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 Secretary 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 Management. Such minutes are available to the 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 FY2016 or have been entered into since the end of the previous financial year.

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.

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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 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.

CORPORATE GOVERNANCE REPORT

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 FY2016:

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)
Rental of office space from PT Ortus Kapital Indonesia	S$430,000

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 FY2016.

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 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 (2) weeks before the announcement of the Company's quarterly results and one (1) 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. They are also encouraged not to deal in the Company's securities on short-term considerations.

RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE

On 19 May 2016, the Company had announced via the SGXNet, the proposed renounceable non-underwritten rights cum warrants issue (the "**Rights cum Warrants Issue**") of up to 101,063,327 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S$0.20 for each Rights Share (the "**Issue Price**"), with up to 101,063,327 free detachable warrants (the "**Warrants**"), on the basis of one (1) Rights Share for every five (5) existing ordinary shares in the capital of the Company (the "**Shares**"), held by the shareholders of the Company (the "**Shareholders**") as at the time and date to be determined by the Directors.

At the extraordinary general meeting ("**EGM**") of the Company held on 11 August 2016, all the resolutions as set out in the Notice of the EGM dated 26 July 2016 relating to (1) approval on the Rights cum Warrants Issue; and (2) approval of the Whitewash resolutions in favour of Mr Aditya Wisnuwardana Seky Soeryadjaya, Mr Edward Seky Soeryadjaya, Precious Treasure Global Inc., Redmount Holdings Limited, Redmount Holdings Subsidiaries, Telecour Limited and Southdale Holdings Limited and their concert parties were duly passed by the shareholders.

The Company then updated shareholders in its announcement of 16 September 2016 that the Company had successfully completed the Rights cum Warrants Issue with a final acceptance of 56,618,703 Rights Shares and 56,618,703 Warrants. Subsequent to the Rights cum Warrants Issue, the Company has announced on 5 October 2016 and 3 January 2017 that a total of S$10.7 million net proceeds (the "**Net Proceeds**") have been fully utilised and the utilisations were in line with the intended uses of the Net Proceeds as stated in the Offer Information Statement.

CORPORATE GOVERNANCE REPORT

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**"). Mr Tan Chong Huat has also declared to the Directors that he is a Director and a shareholder of RHT Lex Ultra Pte. Ltd., the legal and beneficial shareholder of RHT Group of Companies ("**RHT GOC**") which include RHT Corporate Advisory Pte. Ltd. and RHT Capital Pte Ltd ("**RHT Capital**"). 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 any companies related to RHT GOC.

Mr Tay Ah Kong Bernard, AC Chairman of the Company, has declared to the Directors that he is a Non-Executive Director of RHT Rajah Menon Foundation Limited and RHT Capital. Mr Tay Ah Kong Bernard is appointed as the independent Non-Executive Chairman of the Board and a 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 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 any companies related to RHT GOC.

APPLICATION FOR WAIVER FROM REQUIREMENT TO INCLUDE QUALIFIED PERSON REPORT ("QPR") IN THE ANNUAL REPORT

The Company has on 16 January 2017 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 2016 ("**AR2016**") 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 AR2016 will affect the Company's competitive ability and expose it to potential liability and sanctions. A material amount of technical information on the Company's contract areas, including any geological, geophysical, petrophysical, engineering, well logs and completion, status reports and other data, is proprietary of the Government of Indonesia as a matter of law and contract. Permission from the relevant authorities is required to be sought before public disclosure of such proprietary data. There is no certainty that approval for such public disclosure will be granted; 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) and Practice Note 6.3 of the SGX-ST Listing Manual for AR2016 and has requested the Company to make disclosure within the annual report, (i) the information required under paragraphs 2 and 5.4(e) of Practice Note 6.3 of the Listing Manual and (ii) a confirmation statement by the qualified person that the information disclosed in accordance with (i) has been fully and accurately extracted from the QPR. Accordingly, the Company had released an announcement regarding SGX's decision via the SGXNet on 22 February 2017. The Company hereby confirms that it has been authorised by DeGolyer and MacNaughton, the Qualified Person, to include the following confirmation statement as required by the SGX-ST:–

CORPORATE GOVERNANCE REPORT

DeGolyer and MacNaughton confirms that the estimated working interest reserves, defined as that portion of the estimated gross reserves attributable to the working interests that Ramba Energy Limited has represented that it owns, as of December 31, 2016, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf), are as follows: proved reserves of 1,129 Mbbl of oil and 245 MMcf of marketable gas; probable reserves of 2,455 Mbbl of oil, 85 Mbbl of condensate, and 18,005 MMcf of marketable gas; and 9,779 Mbbl of oil, 37 Mbbl of condensate, and 17,221 MMcf of marketable gas. These reserves estimates, disclosed in this annual report as required under paragraphs 2 and 5.4(e) of Practice Note 6.3 of the Listing Manual, have been fully and accurately extracted from our report entitled "Report as of December 31, 2016 on Reserves and Contingent Resources of Certain Fields in Indonesia for Ramba Energy Limited Technical Report."

A copy of the QPR in CD-ROM will also be submitted for SGX-ST's records.

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 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, United States of America	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, United States of America 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[1]	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[2]	Bachelor of Social Science degree from the University of Southern California in Los Angeles, California, United States of America	Non-Executive Director	NIL	22 May 2015	PT Chandra Asri Petrochemical Tbk	• PT Sejahteraraya Anugrahjaya Tbk • PT Nirmala Kencana Mas

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 Lee Seck Hwee	He is a Chartered Certified Accountant of United Kingdom and a Chartered Accountant of Singapore. He holds a Master of Applied Finance from Macquarie University in Australia. He is also a Fellow of the Association of Chartered Certified Accountants of United Kingdom and the Institute of Singapore Chartered Accountants, and a member of the Singapore Institute of Directors.	Executive Director and Chief Financial Officer	NIL	28 Apr 2016	NIL	NIL
Mr Chee Teck Kwong Patrick	Bachelor of Law (Hons) degree from the University of Singapore. He is an Advocate and Solicitor of the Supreme Court of the Republic of Singapore, 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 • Hai Leck Holdings Limited • China International Holdings Limited	• Singapore Windsor Holdings Limited • Hengxin Technology Ltd • Tat Seng Packaging Group Ltd • Hanwell Holdings Limited

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 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 • SIIC Environment Holdings Ltd (*formerly known as Asia Water Technology Ltd.*)	• Hengxin Technology Ltd • China Yongsheng Limited • OEL (Holdings) Limited *(formerly known as Oakwell Engineering Limited)*

1 Ms Lanymarta Ganadjaja retired during the AGM held on 28 April 2016
2 Mr Raymond Budhin resigned on 30 March 2016

The details on shareholdings of the Directors are disclosed on page 52 of the Annual Report under Directors' Interest in Shares or Debentures section of the Directors' Statement.

ANNUAL FINANCIAL STATEMENTS
31 DECEMBER 2016

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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 2016.

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 2016 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	–	Commercial Director/Executive Director
Lee Seck Hwee	–	Chief Financial Officer/Executive Director
Chee Teck Kwong Patrick	–	Independent Director
Tay Ah Kong Bernard	–	Independent Director

In accordance with Regulation 111 of the Company's Constitution, Mr Daniel Zier Johannes Jol and Mr Tay Ah Kong Bernard retire and being eligible for, offer themselves for re-election 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, share options and warrants of the Company as stated below:

Name of Director	At the beginning of financial year or date of appointment	At the end of financial year
The Company		
Aditya Wisnuwardana Seky Soeryadjaya		
– Ordinary shares	6,392,471	162,196,564*
– Options to subscribe for ordinary shares between 14/9/2016 to 22/3/2018	1,843,633	1,084,086
– Warrants	–	46,000,000
Daniel Zier Johannes Jol		
– Ordinary shares	3,847,839	8,472,732
– Options to subscribe for ordinary shares between 14/9/2016 to 1/3/2021	4,242,424	8,771,814
Lee Seck Hwee		
– Ordinary shares	551,817	896,417
– Warrants	–	149,600
Tan Chong Huat		
– Ordinary shares	1,215,722	2,774,822
– Warrants	–	462,500
Chee Teck Kwong Patrick		
– Ordinary shares	976,570	300,000
– Warrants	–	50,000
Tay Ah Kong Bernard		
– Ordinary shares	906,570	2,124,564
– Warrants	–	354,094

* Mr Aditya Wisnuwardana Seky Soeryadjaya is deemed to be interested in 107,699,200 shares held on trust by Telecour Limited pursuant to Section 7 of the Companies Act.

There were no changes in any of the above-mentioned interests in the Company between the end of the financial year and 21 January 2017.

Except as disclosed in this statement, no Directors 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.

DIRECTORS' STATEMENT

Share Scheme

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

The Remuneration Committee ("**RC**") is responsible for administering the RGSOS and the RGPSP.

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

Share Options

On 1 March 2016, the Company made an offer to grant 5,120,000 share options at the exercise price of S$0.1786 per share, to the eligible participants under the RGSOS. The share options were vested on 1 March 2017. They are valid for five years and are exercisable after the first anniversary from the date of grant of the share options. The share options granted will expire on 1 March 2021.

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

Date of grant of options	Adjusted exercise price of the options	Options outstanding at 01/01/2016	Options granted	Options lapsed and cancelled	Adjustment during the year*	Options expired	Options outstanding at 31/12/2016
03/10/2011	S$0.3210+	1,619,756	–	(347,004)	–	(1,272,752)	–
14/09/2012	S$0.3326	1,570,010	–	(538,705)	(8,037)	–	1,023,268
22/03/2013	S$0.5090	2,033,000	–	(618,000)	(11,026)	–	1,403,974
26/02/2014	S$0.5039	1,433,000	–	(618,000)	(6,351)	–	808,649
16/02/2015	S$0.2885	2,730,000	–	(1,178,000)	(12,094)	–	1,539,906
01/03/2016	S$0.1800	–	5,120,000	–	(39,897)	–	5,080,103
		9,385,766	5,120,000	(3,299,709)	(77,405)	(1,272,752)	9,855,900

* Pursuant to the non-underwritten renounceable rights cum warrants issue exercise completed on 19 September 2016, the Company had on 12 October 2016, made an adjustment to the outstanding share options.

\+ Unadjusted exercise price. Option had expired before the adjustments were made.

DIRECTORS' STATEMENT

Share Options (Continued)

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 01/01/2016	Options granted during the year	Aggregate options granted since commencement of Scheme to 31/12/2016	Aggregate options expired since commencement of Scheme to 31/12/2016	Options adjusted*	Aggregate options exercised	Aggregate option lapsed and cancelled	Aggregate options outstanding as at 31/12/2016
Aditya Wisnuwardana Seky Soeryadjaya	1,843,633	–	2,738,633	(1,646,033)	(8,514)	–	–	1,084,086
Daniel Zier Johannes Jol	4,242,424	5,120,000	10,168,424	(1,327,719)	(68,891)	–	–	8,771,814
Lanymarta Ganadjaja (retired on 28 April 2016)	3,299,709	–	4,142,424	(1,015,004)	–	(174,715)	(2,952,705)[1]	–
	9,385,766	5,120,000						9,855,900

* Pursuant to the non-underwritten renounceable rights cum warrants issue exercise completed on 19 September 2016, the Company had on 12 October 2016, made an adjustment to the outstanding share options.

[1] Outstanding share options were cancelled upon her retirement during the AGM on 28 April 2016.

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 participants other than the Directors mentioned above have 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 1 March 2016, the Company granted one-off 10,679,500 share awards (other than to controlling shareholders and their associates) under the RGPSP. The share awards were released and vested on 4 March 2016. On the same date, the Company granted 62,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya, which was later approved by the shareholders at the Annual General Meeting ("**AGM**") held on 28 April 2016. At the same AGM, the shareholders also approved the grant of 1,200,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya granted on 10 August 2015.

During the year, the Company vested 19,489,571 (2015: 7,145,196) 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 5,093,000 (2015: 13,167,000).

As at 31 December 2016, 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 01/01/2016	New appointment	Granted during the year	Vested during the year	Lapsed and cancelled	Adjustments during the Year*	Balance as at 31/12/2016
Share award							
Aditya Wisnuwardana Seky Soeryadjaya	744,000	–	62,000	(515,000)	–	(3,711)	287,289
Daniel Zier Johannes Jol	1,427,000	–	3,072,000	(3,710,000)	–	(10,061)	778,939
Lanymarta Ganadjaja (retired on 28 April 2016)	1,084,000	–	–	(1,084,000)	–	–	–
Lee Seck Hwee	–	259,000	–	–	–	(3,303)	255,697
Tan Chong Huat	453,000	–	790,400	(993,400)	–	(3,187)	246,813
Chee Teck Kwong Patrick	357,000	–	621,400	(781,400)	–	(2,513)	194,487
Tay Ah Kong Bernard	357,000	–	621,400	(781,400)	–	(2,513)	194,487
	4,422,000	259,000	5,167,200	(7,865,200)	–	(25,288)	1,957,712
Bonus share award							
Aditya Wisnuwardana Seky Soeryadjaya	394,929	–	1,200,000	(1,589,893)	–	(5,036)	–
Daniel Zier Johannes Jol	1,619,929	–	–	(914,893)	–	(13,962)	691,074
Lanymarta Ganadjaja (retired on 28 April 2016)	1,138,286	–	–	(1,138,286)	–	–	–
Lee Seck Hwee	–	455,000	–	(195,000)	–	(3,316)	256,684
Tan Chong Huat	240,800	–	–	(103,200)	–	(1,754)	135,846
Chee Teck Kwong Patrick	192,500	–	–	(82,500)	–	(1,402)	108,598
Tay Ah Kong Bernard	192,500	–	–	(82,500)	–	(1,402)	108,598
Raymond Budhin (resigned on 30 March 2016)	35,000	–	–	–	(35,000)	–	–
	3,813,944	455,000	1,200,000	(4,106,272)	(35,000)	(26,872)	1,300,800

* Pursuant to the non-underwritten renounceable rights cum warrants issue exercise completed on 19 September 2016, the Company had on 12 October 2016, made an adjustment to the outstanding share awards.

DIRECTORS' STATEMENT

Warrants

On 19 September 2016, the Company completed a non-underwritten renounceable rights cum warrants issue (the "**Rights cum Warrants Issue**") of 56,618,703 new ordinary shares in the capital of the Company (the "**Rights Shares**") at an issue price of S$0.20 each, with 56,618,703 free detachable warrants (the "**Warrants**"), each Warrant carrying the right to subscribe for one (1) new ordinary share in the capital of the Company at an exercise price of S$0.20 for each Warrant share.

The Rights cum Warrants Issue was made on the basis of one (1) Rights Share for every five (5) existing ordinary shares, held by the shareholders, and one (1) free detachable Warrant for every one (1) Rights Share subscribed. The Warrants were immediately detachable from the Rights Shares upon issue and issued in registered form. Each Warrant carries the right to subscribe for one (1) Warrant share at the exercise price, at any time during the period commencing on and including the date of issue of the Warrants and expiring on the date immediately preceding the third anniversary of the date of the issue of the Warrants. The Warrants that remain unexercised at the expiry of the exercise period shall lapse and cease to be valid for any purpose.

The movements of Warrants during the financial year were as follows:

Date of issue	Exercise price of warrants	Balance at 01/01/2016	Granted during the financial year	Exercised during the financial year	Expired during the financial year	Balance at 31/12/2016
19/09/2016	S$0.20	–	56,618,703	–	–	56,618,703

Audit Committee

The Audit Committee ("**AC**") comprises three (3) 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;

DIRECTORS' STATEMENT

Audit Committee (Continued)

- 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.

The AC convened five (5) meetings during the financial year with full attendance from all members. The AC has also met with the internal and external auditors, without the presence of the Company's Management, at least once a year.

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

The AC has recommended to the Board of Directors that the independent auditor, Ernst & Young LLP, be nominated for re-appointment as external 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 external auditor.

On behalf of the Board of Directors,

Tan Chong Huat
Non-Executive Chairman

Aditya Wisnuwardana Seky Soeryadjaya
Chief Executive Officer

Singapore
30 March 2017

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Independent auditor's report to the members of Ramba Energy Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Ramba Energy Limited (the "Company") and its subsidiaries (collectively, the "Group"), which comprise the balance sheets of the Group and the Company as at 31 December 2016, 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 notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group, the statement of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2016 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addresses the matter is provided in that context.

We have fulfilled our responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including, the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Key audit matters (Continued)

Areas of focus	How our audit addressed the risk factors
Impairment assessment of exploration and evaluation assets, oil and gas properties and goodwill	
As at 31 December 2016, the carrying amounts of oil and gas properties, exploration and evaluation assets and goodwill were S$22,635,000, S$23,195,000 and S$993,000 respectively which represent 39% of the Group's total assets. The decline in crude oil prices has given rise to heightened risk of impairment of these assets. This area is significant to our audit because the recoverability of the carrying amounts of exploration and production assets are dependent on management's estimation and judgement of the future cash flows and profits of the business. Bearing in mind the long-lived nature of the Group's assets, the most critical assumptions are the longer-term oil and gas prices, discount rates, inflation rates, decommissioning costs and estimation of the oil and gas reserves. Management undertook an impairment test during the year to assess the recoverable value of these assets. Notes 13, 11 and 12 to the financial statements include details of the Group's exploration and evaluation assets, oil and gas properties and goodwill and the related impairment charge recorded during the financial year.	We examined the Group's process for identifying impairment indicators and evaluated management's assessment of impairment indicators and whether a formal estimate of recoverable amount was required for each of these cash generating units ("CGUs"). In assessing the reasonableness of management's impairment assessment and the related estimations, we performed the following procedures, amongst others: • benchmarked and analysed oil price assumptions against forward curves and other market data; • agreed hydrocarbon production profiles to approved budgets and proved and probable reserves to third party reserve reports; • checked the mathematical accuracy of management's value-in-use calculations using cash flow projections from the production forecasts covering periods until the end of the production sharing contracts (including the possible extension period); • assessed the objectivity and competence of external experts who were engaged by management to estimate the reserves; • compared estimated future costs to budgets approved by the Board of Directors; • recalculated and benchmarked discount rates and inflation rates applied against third party data; and • reviewed the appropriateness of disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Key audit matters (Continued)

Areas of focus	How our audit addressed the risk factors
Contingent liabilities	
As stated in Note 33, the Group was involved in various legal matters during the year. This area is significant to our audit because of the potential significance of these matters to the financial statements. Any adverse outcome from these legal matters could have a bearing on the ability of the Group to comply with certain financial covenants and to meet its obligations throughout the going concern assessment period. In addition, the assessment of provision for claims and litigations is complex, requires management judgement and the outcome is dependent on future developments.	Our audit procedures include the following procedures, amongst others: • reviewed documents relating to the legal proceedings, including correspondences with legal counterparties, court rulings, minutes of meetings and legal advice obtained by the Group; • held periodic discussions with management, Group's corporate legal advisors, the Audit Committee and the Board of Directors to discuss developments in the legal proceedings and unasserted claims; • assessed management's legal and financial assessment, and considered the assumptions in determining the estimated settlement amounts; • obtained confirmations from the Group's external legal counsels and compared their expert opinions to management's assessment and/or disclosures of each of the material contingencies; and • assessed the reasonableness of judgement applied by management in assessing the Group's ability to meet its financial covenants and capital commitments for oil and gas exploration and development projects and ability to settle its liabilities as and when they fall due.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Responsibilities of management and directors 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 Act and FRSs, 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.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

Auditor's responsibilities for the audit of the financial statements (Continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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.

The engagement partner on the audit resulting in this independent auditor's report is Chan Yew Kiang.

Ernst & Young LLP
Public Accountants and
Chartered Accountants

Singapore
30 March 2017

CONSOLIDATED INCOME STATEMENT

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

	Notes	2016 S$'000	2015 S$'000
Revenue			
Turnover	4	57,027	64,586
Other income	5	2,145	2,170
Total revenue		59,172	66,756
Costs and operating expenses			
Service costs and related expenses		(31,746)	(35,944)
Royalties payment		(386)	(523)
Salaries and employee benefits	6	(30,235)	(30,857)
Depreciation and amortisation expenses		(2,159)	(2,478)
Finance costs	7	(750)	(287)
Other operating expenses	8(a)	(20,402)	(27,100)
Loss on farm-out of participating interest	8(c)	(1,800)	–
Total costs and operating expenses		(87,478)	(97,189)
Loss before tax	8(b)	(28,306)	(30,433)
Income tax	9	2,128	1,870
Loss for the year		(26,178)	(28,563)
Attributable to:			
Owners of the Company		(25,314)	(28,161)
Non-controlling interests		(864)	(402)
		(26,178)	(28,563)
Loss per share attributable to owners of the Company (cents per share)			
Basic and diluted	10	(5.06)	(6.30)

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 2016

	2016 S$'000	2015 S$'000
Loss for the year	(26,178)	(28,563)
Other comprehensive income:		
Item that may be reclassified subsequently to income statement		
Foreign currency translation	(4,259)	4,018
Item that will not be reclassified to income statement		
Re-measurement of defined benefit obligation	231	109
Other comprehensive income for the year, net of tax	(4,028)	4,127
Total comprehensive income for the year, net of tax	(30,206)	(24,436)
Attributable to:		
Owners of the Company	(29,283)	(23,953)
Non-controlling interests	(923)	(483)
	(30,206)	(24,436)

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

STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Notes	Group 2016 S$'000	Group 2015 S$'000	Company 2016 S$'000	Company 2015 S$'000
Non-current assets					
Oil and gas properties	11	22,635	42,352	–	–
Property, plant and equipment	11	5,372	5,646	199	287
Intangible assets	12	1,333	2,208	6	58
Investments in exploration and evaluation assets	13	23,195	24,602	–	–
Investment in marketable securities		3	3	3	3
Investments in subsidiaries	14	–	–	9,426	2,893
Loans to subsidiaries	15	–	–	29,289	36,165
Other assets	16	2	12	–	–
Other receivables	18	9,278	3,075	–	–
Deferred tax assets	26	115	303	–	–
Fixed deposits	19	2,423	2,423	–	–
		64,356	80,624	38,923	39,406
Current assets					
Trade receivables	17	12,269	14,500	–	–
Other receivables	18	31,470	7,183	67,265	58,486
Prepaid operating expenses		736	1,323	108	214
Inventories		172	205	–	–
Other assets	16	10	10	–	–
Cash and cash equivalents	19	11,730	11,532	584	1,288
		56,387	34,753	67,957	59,988
Current liabilities					
Trade payables	20	16,357	18,574	–	–
Other payables	21	28,740	13,424	4,823	4,524
Provisions	22	499	695	–	–
Loans and borrowings	23	2,083	170	–	–
Finance lease liabilities	24	812	1,341	79	76
Income tax payable		49	134	16	–
		48,540	34,338	4,918	4,600
Net current assets		7,847	415	63,039	55,388
Non-current liabilities					
Other payables	21	13,632	2,568	–	–
Provisions	22	1,831	1,862	39	39
Abandonment and site restoration liabilities	25	850	709	–	–
Finance lease liabilities	24	989	1,130	30	111
Loans and borrowings	23	2,083	4,072	–	–
Deferred tax liabilities	26	2,733	5,220	–	–
		22,118	15,561	69	150
Net assets		50,085	65,478	101,893	94,644
Equity attributable to owners of the Company					
Share capital	27	137,886	123,601	137,886	123,601
Treasury shares	27	(935)	(935)	(935)	(935)
Other reserves	28	4,582	10,117	5,025	6,591
Accumulated losses		(88,794)	(65,574)	(40,083)	(34,613)
		52,739	67,209	101,893	94,644
Non-controlling interests		(2,654)	(1,731)	–	–
Total equity		50,085	65,478	101,893	94,644

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 2016

2016 Group	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Accumulated losses S$'000	Other reserves, total S$'000	Share based payment reserve S$'000	Others S$'000	Foreign currency translation reserve S$'000	Gain on reissuance of treasury shares S$'000	Capital reserve S$'000	Non-controlling interests S$'000
		Attributable to owners of the Company										
Opening balance as at 1 January 2016	65,478	67,209	123,601	(935)	(65,574)	10,117	3,961	175	3,003	2,630	348	(1,731)
Loss for the year	(26,178)	(25,314)	–	–	(25,314)	–	–	–	–	–	–	(864)
Other comprehensive income												
Re-measurement of defined benefit obligation	231	231	–	–	–	231	–	231	–	–	–	–
Foreign currency translation	(4,259)	(4,200)	–	–	–	(4,200)	–	–	(4,200)	–	–	(59)
Total comprehensive income for the year, net of tax	(30,206)	(29,283)	–	–	(25,314)	(3,969)	–	231	(4,200)	–	–	(923)
Contributions by and distributions to owners												
Issuance of shares from rights issue	10,724	10,724	10,724	–	–	–	–	–	–	–	–	–
Share issuance expenses	(21)	(21)	(21)	–	–	–	–	–	–	–	–	–
Issuance of shares pursuant to RGPSP/RGSOS	2,050	2,050	3,582	–	1,624	(3,156)	(3,156)	–	–	–	–	–
Grant of equity settled share based payment to employees	2,060	2,060	–	–	–	2,060	2,060	–	–	–	–	–
Expiry of employee share options	–	–	–	–	470	(470)	(470)	–	–	–	–	–
Total contributions by and distributions to owners	14,813	14,813	14,285	–	2,094	(1,566)	(1,566)	–	–	–	–	–
Total transactions with owners in their capacity as owners	14,813	14,813	14,285	–	2,094	(1,566)	(1,566)	–	–	–	–	–
Closing balance as at 31 December 2016	50,085	52,739	137,886	(935)	(88,794)	4,582	2,395	406	(1,197)	2,630	348	(2,654)

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 2016

2015 Group	Equity, total S$'000	Equity attributable to owners of the Company, total S$'000	Share capital S$'000	Treasury shares S$'000	Accumulated losses S$'000	Other reserves, total S$'000	Share based payment reserve S$'000	Others S$'000	Foreign currency translation reserve S$'000	Gain on reissuance of treasury shares S$'000	Capital reserve S$'000	Non-controlling interests S$'000
		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 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 2016

2016 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 2016	94,644	123,601	(935)	(34,613)	6,591	3,961	2,630
Loss for the year	(7,198)	–	–	(7,198)	–	–	–
Total comprehensive income for the year	(7,198)	–	–	(7,198)	–	–	–
Contributions by and distributions to owners							
Issuance of shares from rights issue	10,724	10,724	–	–	–	–	–
Share issuance expenses	(21)	(21)	–	–	–	–	–
Issuance of shares pursuant to RGPSP/RGSOS	1,684	3,582	–	1,258	(3,156)	(3,156)	–
Grant of equity settled share based payment to employees	2,060	–	–	–	2,060	2,060	–
Expiry of employee share options	–	–	–	470	(470)	(470)	–
Total contributions by and distributions to owners	14,447	14,285	–	1,728	(1,566)	(1,566)	–
Closing balance as at 31 December 2016	101,893	137,886	(935)	(40,083)	5,025	2,395	2,630

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 income 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

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 2016

	Notes	2016 S$'000	2015 S$'000
Operating activities:			
Loss before tax		(28,306)	(30,433)
Adjustments for:			
Depreciation and amortisation expenses		2,159	2,478
Intangible asset written off	8(a)	651	–
Gain on disposal of property, plant and equipment	8(a)	(52)	(161)
Finance costs	7	750	287
Interest income from banks	5	(178)	(86)
Share based payment	6	4,119	3,261
Loss on farm-out of participating interest	8(c)	1,800	–
Impairment loss on oil and gas properties	8(a)	10,946	14,764
Property, plant and equipment written-off	8(a)	32	26
Impairment of property, plant and equipment	8(a)	142	–
(Write back)/allowance for doubtful other receivables	8(a)	(13)	3,591
Allowance/(write back) for doubtful trade receivables	8(a)	817	(47)
Foreign exchange translation adjustments		(4,283)	(315)
Operating cash flows before working capital change		(11,416)	(6,635)
Change in inventories		19	(25)
Change in trade receivables		1,428	1,532
Change in other receivables		(23)	(2,734)
Change in prepaid operating expenses		570	(169)
Change in trade payables		842	344
Change in other payables and provisions		3,606	77
Cash used in operations		(4,974)	(7,610)
Interest income received		178	86
Income tax paid		(238)	(214)
Finance costs paid		(679)	(230)
Net cash flows used in operating activities		(5,713)	(7,968)
Investing activities:			
Proceeds from disposal of property, plant and equipment		52	597
Purchase of property, plant and equipment and oil and gas properties		(4,011)	(1,444)
Acquisition of exploration and evaluation assets	13	(2,969)	(6,528)
Acquisition of intangible assets		(342)	–
Proceeds from farm-out of participating interest	8(c)	12,012	–
Net cash flows generated from/(used in) investing activities		4,742	(7,375)
Financing activities:			
Net proceeds from issuance of new shares		10,703	20,729
Increase in fixed deposits pledged		–	55
Repayment of finance lease		(1,513)	(1,447)
Proceeds from loans and borrowings		4,650	4,242
Repayment of loans and borrowings		(4,823)	(2,633)
Advances from third party		1,080	2,088
Net advances provided to joint venture partners		(9,047)	–
Net cash flows from financing activities		1,050	23,034
Net increase in cash and cash equivalents		79	7,691
Effect of exchange rate changes on cash and cash equivalents		119	51
Cash and cash equivalents at beginning of financial year		11,532	3,790
Cash and cash equivalents at end of financial year	19	11,730	11,532

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 2016

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 and principal place of business of the Company is at No. 29A, Club Street, Singapore 069414.

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 statement 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.

The Accounting Standards Council announced on 29 May 2014 that Singapore incorporated companies listed on the Singapore Exchange will apply a new financial reporting framework identical to the International Financial Reporting Standards. The Group will adopt the new financial reporting framework on 1 January 2018.

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 2016. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

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 12: *Recognition of Deferred Tax Assets for Unrealised Losses*	1 January 2017
Amendments to FRS 7: *Disclosure Initiative*	1 January 2017
Improvements to FRSs (December 2016)	
(a) Amendments to FRS 112 *Disclosure of Interests in Other Entities*	1 January 2017
(b) Amendments to FRS 101 *First-Time Adoption of Financial Reporting Standards*	1 January 2018
(c) Amendments to FRS 28 *Investments in Associates and Joint Ventures*	1 January 2018
Amendments to FRS 40: *Transfers of Investment Property*	1 January 2018
Amendments to FRS 102: *Classification and Measurement of Share-based Payment Transactions*	1 January 2018
Amendments to FRS 104: *Applying FRS 109 Financial Instruments with FRS 104 Insurance Contracts*	1 January 2018
Amendments to FRS 115: *Clarifications to FRS 115 Revenue from Contracts with Customers*	1 January 2018
FRS 115 *Revenue from Contracts with Customers*	1 January 2018
FRS 109 *Financial Instruments*	1 January 2018
FRS 116 *Leases*	1 January 2019
Amendments to FRS 110 and FRS 28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

FRS 115 *Revenue from Contracts with Customers*

FRS 115 establishes a five-step model to account for 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 services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under FRS. Either a full retrospective application or a modified retrospective application is required for annual period beginning on or after 1 January 2018. Early adoption is permitted.

Management has performed an assessment of the impact of the adoption of the new five-step model for the Group's revenue streams and have concluded that the adoption of the FRS 115 will have no material impact on the financial statements of the Group and the Company.

Except for FRS 109 and FRS 116, 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 policies on adoption of FRS 109 and FRS 116 are described below.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.3 ***Standards issued but not yet effective*** (Continued)

FRS 109 *Financial Instruments*

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.

Impairment

FRS 109 requires the Group to record expected credit losses on all of its debt securities, loans and trade receivables, either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and record lifetime expected losses on all trade receivables. Upon application of the expected credit loss model, the Group expects a significant impact on its equity due to unsecured nature of its loans and receivables, but it will need to perform a more detailed analysis which considers all reasonable and supportable information, including forward-looking elements to determine the extent of impact.

Transition

The Group plans to adopt the new standard on the required effective date without restating prior periods' information and recognises any difference between the previous carrying amount and the carrying amount at the beginning of the annual reporting period at the date of initial application in the opening retained earnings.

FRS 116 *Leases*

FRS 116 requires lessees to recognise most leases on balance sheets to reflect the rights to use the leased assets and the associated obligations for lease payments as well as the corresponding interest expense and depreciation charges. The standard includes two recognition exemption for lessees – leases of 'low value' assets and short-term leases. The new standard is effective for annual periods beginning on or after 1 January 2019.

The Group is currently assessing the impact of the new standard and plans to adopt the new standard on the required effective date. Based on its existing lease commitments, the Group expects the adoption of the new standard will result in increase in total assets and total liabilities, earnings before tax, interest, depreciation and amortization ("EBITDA") and gearing ratio.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. Summary of significant accounting policies (Continued)

2.4 *Basis of consolidation and business combinations*

(a) *Basis of consolidation*

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.

(b) *Business combinations and goodwill*

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.4 ***Basis of consolidation and business combinations*** (Continued)

(b) *Business combinations and goodwill* (Continued)

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 (or group of cash-generating units) to which the goodwill relates.

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 SGD, 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.6 ***Foreign currency*** (Continued)

(a) *Transactions and balances* (Continued)

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.

(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 & fittings	5 to 10 years
– Renovation	3 years
– Office container	3 years
– Tools and equipment	3 years
– Transport equipment	5 to 10 years

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

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

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

2.8 ***Oil and gas properties***

The Group applies the 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*.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.8 ***Oil and gas properties*** (Continued)

(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.

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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. Summary of significant accounting policies (Continued)

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 cash generating unit 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 de-recognition 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 de-recognised.

Software was acquired separately and is amortised on a straight line basis over its finite 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.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

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 2016

2. **Summary of significant accounting policies** (Continued)

2.13 ***Financial instruments*** (Continued)

(a) *Financial assets* (Continued)

Initial recognition and measurement (Continued)

The Group has not designated any financial asset upon initial recognition at fair value through profit or loss, held-to-maturity investments or available-for-sale financial assets.

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 de-recognised or impaired, and through the amortisation process.

De-recognition

A financial asset is de-recognised where the contractual right to receive cash flows from the asset has expired. On de-recognition 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.

(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.

The Group has not designated any financial liability upon initial recognition at fair value through profit or loss.

After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are de-recognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. 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 de-recognition 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 2016

2. Summary of significant accounting policies (Continued)

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

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.

2.16 ***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 arises from the leases of office and building. The provision for reinstatement cost is provided based on actual quotations by third parties.

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 2016

2. Summary of significant accounting policies (Continued)

2.17 ***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.

2.18 ***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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.18 ***Employee benefits*** (Continued)

(b) *Defined benefit plan* (Continued)

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

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

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

(c) *Employee leave entitlement*

Employee entitlements to annual leave are recognised as a liability when they are accrued 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.18 ***Employee benefits*** (Continued)

(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 recognised in the profit or loss over the vesting periods from the grant date.

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

2.19 ***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 does not transfer 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 2.21(e). Contingent rents are recognised as revenue in the period in which they are earned.

2.20 ***Financial guarantees***

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. Summary of significant accounting policies (Continued)

2.20 ***Financial guarantees*** (Continued)

Financial guarantees are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, financial guarantees are recognised as income in profit or loss over the period of the guarantee. If it is probable that the liability will be higher than the amount initially recognised less amortisation, the liability is recorded at the higher amount with the difference charged to profit or loss.

2.21 ***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.

(a) *Rendering of services*

Revenue is recognised upon service rendered.

(b) *Oil and gas sales*

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

(c) *Interest income*

Interest income is recognised using the effective interest method.

(d) *Leasing income*

Leasing income arising from rental of transport equipment and 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.

2.22 ***Government grant***

Government grant is recognised in profit or loss upon cash receipt. Grants are deducted against the related expenses.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. Summary of significant accounting policies (Continued)

2.23 ***Taxes***

(a) *Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the end of the reporting period, in the countries where the Group operates and generates taxable income.

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

(b) *Deferred tax*

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

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

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

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

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

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

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

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

2. **Summary of significant accounting policies** (Continued)

2.23 ***Taxes*** (Continued)

(b) *Deferred tax* (Continued)

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.

2.24 ***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.

2.25 ***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 2016

2. Summary of significant accounting policies (Continued)

2.26 ***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 which have the most significant effect on the amounts recognised in the consolidated financial statements:

Contingent liabilities

Recognition and measurement for contingent liabilities is based on management's view of the expected outcome of the contingencies after consulting legal counsel for litigation cases and experts. Details of the Group's contingent liabilities are presented in Note 33.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

3. Significant accounting judgement and estimates (Continued)

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.

Impairment of exploration and evaluation assets, oil and gas properties and goodwill

The Group assesses whether there are any indicators of impairment for exploration and evaluation assets at each reporting date. Oil and gas properties are tested for impairment when there are indicators that the carrying amounts may not be recoverable. Goodwill is tested for impairment annually and at other times when such indicators exist.

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.

4. Turnover

	Group	
	2016	**2015**
	S$'000	**S$'000**
Revenue from:		
Logistics services	52,417	58,332
Oil and gas sales	2,255	2,866
Property rental income	2,355	3,388
	57,027	64,586

5. Other income

	Group	
	2016	**2015**
	S$'000	**S$'000**
Leasing income	164	234
Diesel consumed by service partners	78	351
Port rebate	584	641
Interest income from banks	178	86
Demurrage/port/terminal handling charges	–	25
Government grant	–	89
Management fee income from joint venture partner	256	53
Others	885	691
	2,145	2,170

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

6. Salaries and employee benefits

	Group 2016 S$'000	Group 2015 S$'000
Salaries and bonuses (including directors' fees)	20,492	21,957
Central Provident Fund contributions	1,685	1,716
Share based payments	4,119	3,261
Other benefits	3,939	3,923
	30,235	30,857

Included in share based payments was amount of S$2,059,000 (2015: S$Nil) charged to the current year profit and loss on share awards which were granted and vested during the same 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-transferrable options that are settled by physical delivery of the ordinary shares of the Company, to eligible senior executives and employees.

On 1 March 2016, the Company made an offer to grant 5,120,000 share options at the exercise price of S$0.1786 per share, to the eligible participant under the RGSOS. The share options were vested on 1 March 2017. They are valid for five years and are exercisable after the 1st anniversary from the date of grant of the share options. The share options granted will expire on 1 March 2021.

On 12 October 2016, the Company made an adjustment to the outstanding share options and option prices in connection with the rights and warrants issues completed on 19 September 2016.

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:

	2016		2015	
	No. '000	WAEP S$	No. '000	WAEP S$
Outstanding at 1 January	9,386	0.32	8,584	0.36
– Granted	5,120	0.18	3,557	0.11
– Lapsed and cancelled	(4,573)	(0.36)	(2,755)	(0.17)
– Rights adjustment	(77)	(0.29)	–	–
Outstanding at 31 December	9,856	0.23	9,386	0.32
Exercisable at 31 December	3,479	0.42	4,586	0.38

– The weighted average fair value of options granted during the financial year was S$0.07 (2015: S$0.11).
– No option was exercised during the financial year.
– The range of exercise prices for options outstanding at the end of the year was S$0.18 to S$0.509 (2015: S$0.2863 to S$0.505). The weighted average remaining contractual life of these options is 3 years (2015: 2 years).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

6. **Salaries and employee benefits** (Continued)

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 2016 and 2015:

	1 March 2016	**16 February 2015**
Dividend yield (%)	0.00	0.00
Expected volatility (%)	52.3	50.3
Risk-free interest rate (% p.a.)	1.29	1.31
Expected life of option (years)	3.0	4.0
Share price as of valuation date (S$)	0.179	0.285

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

Share Awards

On 1st March 2016, the Company granted one-off 10,679,500 share awards (other than controlling shareholders and their associates) under the RGPSP. The share awards were released and vested on 4 March 2016. On the same date, the Company granted 62,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya, which was later approved by the shareholders at the Annual General Meeting ("**AGM**") held on 28 April 2016. At the same AGM, the shareholders also approved the grant of 1,200,000 share awards to Mr Aditya Wisnuwardana Seky Soeryadjaya granted on 10 August 2015.

During the year, the Company vested 19,489,571 (2015: 7,145,196) 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 5,093,000 (2015: 13,167,000).

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

7. Finance costs

	Group	
	2016	2015
	S$'000	S$'000
Interest expense – loans and borrowings	563	64
Finance charges – finance lease obligations	110	166
Accretion of interest on abandonment and site restoration liabilities (Note 25)	77	57
	750	287

8. (a) Other operating expenses

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

	Group	
	2016	2015
	S$'000	S$'000
Audit fees paid to auditors of the Company	148	146
Non-audit fees paid to auditors of the Company	77	108
Audit fees paid to other auditors	173	165
Allowance/(write back) for doubtful trade receivables (Note 17)	817	(47)
(Write back)/allowance for doubtful other receivables (Note 18)	(13)	3,591
Impairment loss on oil and gas properties (Note 11)	10,946	14,764
Impairment of property, plant and equipment (Note 11)	142	–
Property, plant and equipment written-off	32	26
Gain on disposal of property, plant and equipment	(52)	(161)
Intangible assets written off	651	–
Net foreign exchange (gain)/loss	(4,321)	55
Rental expenses – office	658	786
Legal and other professional fees	2,754	3,354

8. (b) Loss before tax

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

	Group	
	2016	2015
	S$'000	S$'000
Rental expenses – warehouse and leasehold building	4,118	4,232
Lease of transport equipment and ISO tanks	1,850	2,209
Upkeep of transport equipment	5,438	6,417

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

8. (c) Loss on farm-out of participating interest

On 4 October 2015, the Group, through its 80.4% owned subsidiary, PT Hexindo Gemilang Jaya ("Hexindo"), farmed-out a net 20% participation interest in the Lemang Production Sharing Contract ("Lemang PSC").

Hexindo entered into a farm-in agreement with Mandala Lemang Singapore Pte Ltd ("Mandala"), to which Hexindo farmed-out a 35% interest in the Lemang PSC and concurrently entered into a back-to-back agreement with Eastwin Global Investments Limited ("Eastwin"), to acquire a 20% participation interest in the Lemang PSC.

On 10 February 2016, the Group completed its farm-out transaction. Upon the completion of the farm-out, Hexindo now own 31%, with Eastwin and Mandala owns 34% and 35% in the Lemang PSC respectively.

The carrying value of assets and liabilities of Ramba Energy Lemang Limited, the immediate holding company of Hexindo, and Hexindo, recorded in the consolidated financial statement as at the disposal date, and the effect of the disposal were as follows:

	S$'000
Oil and gas properties	12,401
Investment in exploration and evaluation asset	4,939
Prepayment	17
Other receivables	769
Inventory	14
Trade and other payables	(2,366)
Provision for employee benefits	(184)
Abandonment and site restoration liabilities	(13)
Other comprehensive income	(33)
Net assets farmed-out	15,544
Gross consideration	14,149
Less: Tax and professional fees	(2,137)
Net proceeds	12,012
Cumulative exchange difference in respect of the net interest disposed	(1,732)
Loss on farm-out of participating interest	1,800

9. Income tax

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

	Group	
	2016	2015
	S$'000	S$'000
Consolidated income statement:		
Current income tax		
– Current year	214	291
– Over provision in respect of prior years	(108)	(114)
Deferred income tax		
– Origination and reversal of temporary differences (Note 26)	(2,234)	(2,047)
Income tax credit	(2,128)	(1,870)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

9. **Income tax** (Continued)

(b) Relationship between tax credit and accounting loss

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

	Group	
	2016	**2015**
	S$'000	**S$'000**
Loss before tax	(28,306)	(30,433)
Tax at domestic rates applicable to losses in the countries in which the Group operates	(936)	(2,215)
Adjustments for tax effects of:		
Expenses non-deductible for tax purposes	1,826	1,716
Income not subject to taxation	(801)	(644)
Tax exempt profits/rebates	(49)	(695)
Over provision in respect of prior years	(108)	(114)
De-recognition of previously recognised deferred tax	(2,136)	–
Deferred tax assets not recognised	–	20
Others	76	62
Income tax credit	(2,128)	(1,870)

The above reconciliation is prepared by aggregating separate reconciliations for each national jurisdiction. The tax rates of the major jurisdictions that the Group operates in are as follows:

	Group	
	2016	**2015**
Singapore	17%	17%
Indonesia	25%/44%	25%/44%

Expenses not deductible for tax purposes include overhead charges of investment holding companies and prepaid corporate taxes.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

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	
	2016	2015
	S$'000	S$'000
Loss net of tax attributable to owners of the Company used in the computation of basic/diluted loss per share	(25,314)	(28,161)
	No. of shares	No. of shares
Weighted average number of ordinary shares for basic/diluted loss per share computation	500,251,482	447,288,189
Basic/diluted loss per share attributable to owners of the Company (cents per share)	(5.06)	(6.30)

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 2016 and 31 December 2015.

There are 9,855,900 (2015: 9,385,766) share options granted under the RGSOS and 56,618,703 (2015: Nil) warrants that have not been included in the calculation of diluted earnings per share because they are anti-dilutive.

Pursuant to the RGPSP, the Company vested 1,480,869 and 632,823 by way of allotment of new shares on 16 February 2017 and 27 February 2017 respectively. There have been no other transactions involving ordinary shares or potential ordinary since the end of the financial year.

NOTES TO THE FINANCIAL STATEMENTS

11. Oil and gas properties/property, plant and equipment

Group	Office equipment S$'000	Furniture and fittings S$'000	Renovation S$'000	Office container S$'000	Tools and equipment S$'000	Transport equipment S$'000	Property, plant and equipment, total S$'000	Oil and gas properties S$'000	Total S$'000
Cost:									
At 1 January 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	–	–	–	–	–	–	–	(136)	(136)
Transfers (Note 13)	–	–	–	–	–	–	–	30,444	30,444
Written off	(644)	(48)	(143)	–	(11)	–	(846)	–	(846)
Net exchange differences	8	4	(2)	–	(1)	(149)	(140)	2,035	1,895
At 31 December 2015 and 1 January 2016	3,308	1,993	1,463	36	162	14,783	21,745	62,935	84,680
Additions	243	39	86	4	20	1,351	1,743	3,213	4,956
Disposals/Farm-out of participating interests (Note 8(c))	(12)	–	–	–	–	(850)	(862)	(12,401)	(13,263)
Change in ASR provision	–	–	–	–	–	–	–	63	63
Written off	–	(84)	–	–	–	–	(84)	–	(84)
Net exchange differences	7	2	7	1	2	226	245	1,445	1,690
At 31 December 2016	3,546	1,950	1,556	41	184	15,510	22,787	55,255	78,042
Accumulated depreciation and impairment loss:									
At 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 and 1 January 2016	2,962	1,336	834	20	135	10,812	16,099	20,583	36,682
Charge for the financial year	264	238	277	3	27	1,132	1,941	99	2,040
Impairment	–	17	125	–	–	–	142	10,946	11,088
Disposals	(12)	–	–	–	–	(850)	(862)	–	(862)
Net exchange differences	7	1	2	–	2	135	147	992	1,139
Written off	–	(52)	–	–	–	–	(52)	–	(52)
At 31 December 2016	3,221	1,540	1,238	23	164	11,229	17,415	32,620	50,035
Net carrying amount:									
At 31 December 2015	346	657	629	16	27	3,971	5,646	42,352	47,998
At 31 December 2016	325	410	318	18	20	4,281	5,372	22,635	28,007

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

11. Oil and gas properties/property, plant and equipment (Continued)

	Renovation S$'000	Transport equipment S$'000	Office equipment S$'000	Total S$'000
Company				
Cost:				
At 1 January 2015	31	508	81	620
Additions	19	–	62	81
Disposals	–	–	(6)	(6)
At 31 December 2015 and 1 January 2016	50	508	137	695
Additions	–	–	62	62
At 31 December 2016	50	508	199	757
Accumulated depreciation:				
At 1 January 2015	16	205	65	286
Charge for the financial year	12	102	14	128
Disposals	–	–	(6)	(6)
At 31 December 2015 and 1 January 2016	28	307	73	408
Charge for the financial year	16	101	33	150
At 31 December 2016	44	408	106	558
Net carrying amount:				
At 31 December 2015	22	201	64	287
At 31 December 2016	6	100	93	199

Impairment of property, plant and equipment

During the financial year, a subsidiary of the Group within the rental segment carried out a review of the recoverable amount of its renovation and furniture and fittings in view of the segment's loss making position. An impairment loss of S$142,000 (2015: S$Nil), representing the impairment of these properties to their recoverable amounts was recognised in "Other operating expenses" (Note 8(a)) line item of the income statement for the financial year ended 31 December 2016.

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$10,946,000 (2015: S$14,764,000) representing the write down of the production equipment properties to the recoverable amount was recognised in 'other operating expenses' (Note 8(a)). The recoverable amount of the production equipment properties was based on its value in use and the pre-tax discount rate used was 12.9% (2015: 10.5%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

11. Oil and gas properties/property, plant and equipment (Continued)

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.

During the year, the Group received S$12,012,000 from the farm-out (Note 8(c)) being the 1st milestone receipt pending satisfaction of certain conditions precedent.

Assets held under finance leases

The Group and the Company has certain office and transport equipment under finance lease arrangements with net book value as detailed below:

	Group		Company	
	2016	**2015**	**2016**	**2015**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Cost	1,043	–	–	–
Consideration paid in cash	98	–	–	–
Amount under finance lease	945	–	–	–
Net carrying amount of assets at end of year held under finance leases	1,469	3,208	110	187

The office and transport equipment purchased under finance leases is pledged to financial institutions as security for facilities granted (Note 24) and some are guaranteed by the Group.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

12. Intangible assets

Group	Goodwill S$'000	Software S$'000	Customer relationship S$'000	Total S$'000
Cost:				
At 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 and 1 January 2016	993	2,752	–	3,745
Addition	–	342	–	342
Written off	–	(687)	–	(687)
De-recognition	–	(447)	–	(447)
At 31 December 2016	993	1,960	–	2,953
Accumulated amortisation and impairment:				
At 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 and 1 January 2016	–	1,537	–	1,537
Charge for the financial year	–	119	–	119
Written off	–	(36)	–	(36)
At 31 December 2016	–	1,620	–	1,620
Net carrying amount:				
At 31 December 2015	993	1,215	–	2,208
At 31 December 2016	993	340	–	1,333

Impairment testing of goodwill

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

	Group 2016 S$'000	Group 2015 S$'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 13.0% (2015: 13.3%) per annum.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

12. Intangible assets (Continued)

Impairment testing of goodwill (Continued)

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.

	Software S$'000
Company	
Cost:	
At 1 January 2015, 31 December 2015 and 1 January 2016	233
Additions	9
Written off	(46)
At 31 December 2016	196
Accumulated amortisation and impairment:	
At 1 January 2015	99
Charge for the financial year	76
At 31 December 2015 and 1 January 2016	175
Charge for the financial year	51
Written off	(36)
At 31 December 2016	190
Net carrying amount:	
At 31 December 2015	58
At 31 December 2016	6

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

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	
	2016 S$'000	2015 S$'000
Cost		
As at 1 January	24,602	45,340
Additions during the financial year	2,969	6,528
Transferred to oil and gas properties (Note 11)	–	(30,444)
Farm-out of participating interests (Note 8(c))	(4,939)	–
Net exchange differences	563	3,178
	23,195	24,602

14. Investments in subsidiaries

	Company	
	2016 S$'000	2015 S$'000
Unquoted shares, at cost	9,926	4,148
Less: Impairment loss	(500)	(1,255)
	9,426	2,893

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

The Group has the following investments in subsidiaries:

Name	Principal activities	Country of incorporation	Cost 2016 S$'000	Cost 2015 S$'000	Effective equity interest 2016 %	Effective equity interest 2015 %
Held by the Company:						
@ REL Resources Services Pte Ltd	Investment holding	Singapore	–	1,050	–	100
* REL Oil & Gas Pte Ltd	Investment holding	Singapore	198	198	100	100

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

14. **Investments in subsidiaries** (Continued)

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

Name	Principal activities	Country of incorporation	Cost 2016 S$'000	Cost 2015 S$'000	Effective equity interest 2016 %	Effective equity interest 2015 %
Held by the Company:						
* RichLand Global Pte Ltd	Investment holding	Singapore	9,228	2,400	100	100
* RBC Properties Pte Ltd	Provision of real estate management services and investment holding	Singapore	500	500	100	100
			9,926	4,148		

Name	Principal activities	Country of incorporation	Effective equity interest 2016 %	Effective equity interest 2015 %
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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

14. Investments in subsidiaries (Continued)

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

Name	Principal activities	Country of incorporation	Effective equity interest 2016 %	2015 %
Held through RichLand Global Pte Ltd:				
* RichLand Chemical Logistics Pte Ltd	Provision of logistics, transportation and freight forwarding services for the chemical industry	Singapore	100	100
** PT. RichLand Indonesia	Investment holding	Indonesia	99	99
Held through PT. RichLand Indonesia:				
** PT. RichLand Logistics Indonesia	Provision of transportation and logistics services	Indonesia	^100	^100
Held through RichLand Project Logistics Pte Ltd:				
** PT. RichLand Indonesia	Investment holding	Indonesia	1	1
Held through RichLand Chemical Logistics Pte Ltd:				
@@ RichLand 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	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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

14. Investments in subsidiaries (Continued)

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

Name	Principal activities	Country of incorporation	Effective equity interest 2016 %	2015 %
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
Held through Ramba Energy Lemang Limited:				
** PT Hexindo Gemilang Jaya	Exploration and production of oil and gas	Indonesia	80.4	80.4

@ The subsidiary has been struck off during the year
^ 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 is in process of liquidation and therefore is 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

14. Investments in subsidiaries (Continued)

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

The NCI of PT Hexindo Gemilang Jaya has 19.6% (2015: 19.6%) interest in PT Hexindo Gemilang Jaya as at the end of the reporting period.

	PT Hexindo Gemilang Jaya	
	2016	**2015**
	S$'000	**S$'000**
Loss allocated to NCI during the reporting period	864	402
Accumulated NCI at the end of the reporting period – accumulated losses	2,654	1,731

(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	
	2016	**2015**
	S$'000	**S$'000**
Current		
Assets	40,185	7,847
Liabilities	(19,175)	(6,478)
Net current assets	21,010	1,369
Non-current		
Assets	25,346	33,007
Liabilities	(59,916)	(43,220)
Net non-current liabilities	(34,570)	(10,213)
Net liabilities	(13,560)	(8,844)

Summarised statement of comprehensive loss

	PT Hexindo Gemilang Jaya	
	2016	**2015**
	S$'000	**S$'000**
Revenue	166	–
Loss before income tax	4,413	2,054
Other comprehensive income	(33)	(95)
Total comprehensive loss	4,380	1,959

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

14. Investments in subsidiaries (Continued)

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

Other summarised information

	PT Hexindo Gemilang Jaya	
	2016	2015
	S$'000	S$'000
Net cash flow used in operations	2,430	6,688
Acquisition of exploration and evaluation assets	–	411
Acquisition of oil and gas properties	3,213	–

Movement in provision for impairment was as follows:

	Company	
	2016	2015
	S$'000	S$'000
As at 1 January	(1,255)	(1,050)
Impairment loss during the year	(295)	(205)
Utilised during the year	1,050	–
Balance at 31 December	(500)	(1,255)

Impairment loss recognised

During the current financial year, an impairment loss of S$295,000 (2015: S$205,000) was recognised to write down the carrying value of the investment in RBC Properties Pte Ltd to its recoverable amount.

15. 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.

16. Other assets

	Group	
	2016	2015
	S$'000	S$'000
Current		
Leased assets	10	10
Non-current		
Leased assets	2	12

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

17. Trade receivables

	Group 2016 S$'000	Group 2015 S$'000	Company 2016 S$'000	Company 2015 S$'000
Third party customers	13,129	14,515	–	–
Less: Allowance for doubtful trade receivables	(860)	(15)	–	–
Total trade receivables	12,269	14,500	–	–
Other receivables (Note 18)	34,418	4,151	67,265	58,486
Loans to subsidiaries (Note 15)	–	–	29,289	36,165
Cash and cash equivalents (Note 19)	11,730	11,532	584	1,288
Total loans and receivables	58,417	30,183	97,138	95,939

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$4,293,000 (2015: S$4,647,000) 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 2016 S$'000	Group 2015 S$'000
Trade receivables past due but not impaired:		
Less than 30 days	2,461	2,009
30 to 60 days	891	1,945
61 to 90 days	31	368
91 to 120 days	51	295
More than 120 days	859	30
	4,293	4,647

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 2016 S$'000	Group Individually impaired 2015 S$'000
Trade receivables – nominal amounts	860	15
Less: Allowance for doubtful trade receivables	(860)	(15)
	–	–
Movement in allowance for doubtful trade receivables:		
At 1 January	15	68
Allowance/(write back) for the year (Note 8(a))	817	(47)
Utilised during the year	(2)	(5)
Exchange difference	30	(1)
At 31 December	860	15

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

17. Trade receivables (Continued)

Trade receivables that are impaired (Continued)

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.

18. Other receivables

	Group		Company	
	2016 S$'000	**2015 S$'000**	**2016 S$'000**	**2015 S$'000**
Current				
Refundable deposits	651	1,399	68	106
Due from NCI holder	9,859	306	–	–
Due from subsidiaries	–	–	67,197	58,380
Deferred rent receivable	23	65	–	–
Cash calls due from NCI holder	2,139	2,091	–	–
Cash call advance to joint venture partner	18,287	2,958	–	–
Sundry receivables	457	330	–	–
Disbursements due from customers	54	34	–	–
	31,470	7,183	67,265	58,486
Non-current				
Advance to joint venture partner	5,424	–	–	–
Other receivables	3,854	3,075	–	–
	9,278	3,075	–	–
Total other receivables	40,748	10,258	67,265	58,486
Comprises of:				
Financial assets	34,418	4,151	67,265	58,486
Non-financial assets	6,330	6,107	–	–
	40,748	10,258	67,265	58,486

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	
	2016 S$'000	**2015 S$'000**
Other receivables – nominal amounts	3,671	3,591
Less: Allowance for doubtful other receivables	(3,671)	(3,591)
	–	–

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

18. Other receivables (Continued)

Other receivables that are impaired (Continued)

	Group Individually impaired 2016 S$'000	Group Individually impaired 2015 S$'000
Movement in allowance for doubtful other receivables:		
At 1 January	3,591	–
(Write back)/allowance for the year (Note 8(a))	(13)	3,591
Exchange difference	93	–
At 31 December	3,671	3,591

Due from joint venture partner

In the previous financial year, the Group recognised an allowance for doubtful other receivable of S$3,591,000 for the advance made to joint venture partner of Ramba Energy Jatirarangon Limited block. The amount recoverable was to be paid through the joint venture partner's portion of entitlement based on the funding agreement between the subsidiary and the joint venture partner.

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 NCI holder

These balances, which are due from the non-controlling interest ("NCI") holder of PT Hexindo Gemilang Jaya, are non-trade in nature, secured by shares in a subsidiary. Included in the amounts due from NCI holder is a loan amount of S$9,546,000 (2015: S$Nil) that bears an interest rate of 10% per annum and is repayable in February 2017. The loan has been extended for another year till February 2018. The remaining balances are non-interest bearing and expected to be repaid in the next 12 months.

Cash call advance to joint venture partner

The amount is non-trade in nature, unsecured, non-interest bearing, has no fixed repayment terms and expected to be repayable within the next twelve months.

Other receivables (non-current)

Other receivables refer to reimbursable Value Added Tax ("VAT") receivable on oil and gas activities which is reimbursable from the Indonesian government upon full recovery of the cost recovery pool.

Advance to joint venture partner (non-current)

The advance to joint venture partner is non-trade in nature, unsecured and non-interest bearing. It is repayable from the sales proceeds of 60% of the joint venture partner's participating share of crude oil and natural gas. The advance to joint venture has been classified as non-current, as repayment is not expected to be received within the next 12 months, based on the budgeted oil lifting and sales.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

19. Cash and cash equivalents

	Group		Company	
	2016	2015	2016	2015
	S$'000	S$'000	S$'000	S$'000
Cash on hand and at bank	11,730	11,532	584	1,288
Fixed deposits	2,423	2,423	–	–
Less: Restricted cash classified as non-current assets	(2,423)	(2,423)	–	–
	–	–	–	–
Cash and cash equivalents	11,730	11,532	584	1,288

Fixed deposits earn interest at 0.45% to 0.9% (2015: 0.2% to 0.6%) 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 2016 are S$3,264,000 (2015: S$2,385,000) and S$5,044,000 (2015: S$5,207,000) in Indonesian Rupiah ("IDR") and United States Dollars ("USD") respectively.

20. Trade payables

	Group		Company	
	2016	2015	2016	2015
	S$'000	S$'000	S$'000	S$'000
Third party suppliers	12,505	13,953	–	–
Accrued operating expenses	3,852	4,621	–	–
Total trade payables	16,357	18,574	–	–
Other payables (Note 21)	39,963	13,433	4,823	4,524
Loans and borrowings (Note 23)	4,166	4,242	–	–
Finance lease liabilities (Note 24)	1,801	2,471	109	187
Total financial liabilities carried at amortised cost	62,287	38,720	4,932	4,711

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 2016 are S$Nil (2015: S$4,000) and S$2,039,000 (2015: S$1,286,000) in SGD and IDR respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

21. Other payables

	Group		Company	
	2016 S$'000	2015 S$'000	2016 S$'000	2015 S$'000
Current				
Advances from joint venture partner	3,254	–	–	–
Cash calls advanced from joint venture partner	9,760	–	–	–
Amount due to subsidiaries	–	–	68	68
Amount due to directors	172	57	172	57
Accrued salaries and employee benefits	5,566	5,085	3,231	2,775
Sundry payables	5,020	3,570	1,352	1,624
Security deposits from tenants	111	946	–	–
Deferred rent payable	197	197	–	–
Advances received from third parties	4,556	3,397	–	–
Advance billing to tenants	104	172	–	–
	28,740	13,424	4,823	4,524
Non-current				
Deferred rent payable	73	271	–	–
Amount due to NCI holder	2,139	2,091	–	–
Production bonus	228	206	–	–
Advance from joint venture partner	9,399	–	–	–
Sundry payables	1,793	–	–	–
	13,632	2,568	–	–
Total other payables	42,372	15,992	4,823	4,524
Comprises of:				
Financial liabilities	39,963	13,433	4,823	4,524
Non-financial liabilities	2,409	2,559	–	–
	42,372	15,992	4,823	4,524

Advances from joint venture partner

The advance from joint venture partner were non-trade in nature, unsecured and non-interest bearing. It is repayable from the sales proceeds of 60% of the Group's participating interest share of crude oil and natural gas. The advances from joint venture has been classified as non-current, as repayment is not expected to be made within the next 12 months, based on the budgeted oil lifting and sales.

Cash calls advanced from joint venture partner

The cash calls advances from joint venture partner were non-trade in nature, unsecured, non-interest bearing and have no fixed terms of repayment.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

21. Other payables (Continued)

Advances received from third parties

Included in advances received from third parties was an amount of US$2,220,000 (equivalent to S$3,220,000) 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$4,000,000, but not more than US$6,000,000 for exploration and evaluation activities of West Jambi block and US$1,000,000 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 in August 2016 and has been extended till September 2017.

Amount due to NCI holder (non-current)

The amount which are due to non-controlling interest ("NCI") holder of PT Hexindo Gemilang Jaya, is non-trade in nature, non-interest bearing and unsecured. The amount has no fixed repayment terms and the directors of the Group do not expect the amounts to be repaid within the next 12 months.

22. Provisions

	Group		Company	
	2016	**2015**	**2016**	**2015**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Current				
Provision for cargo and motor vehicles claims	499	631	–	–
Provision for reinstatement costs	–	64	–	–
	499	695	–	–
Non-current				
Provision for employee benefits (Note 31)	1,101	1,162	–	–
Provision for reinstatement costs	730	700	39	39
	1,831	1,862	39	39

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

	Group	
	2016	**2015**
	S$'000	**S$'000**
Balance at 1 January	631	429
Provision made during the financial year	236	421
Utilised during the financial year	(368)	(219)
Balance at 31 December	499	631

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.

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

22. Provisions (Continued)

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

	Group		Company	
	2016	2015	2016	2015
	S$'000	S$'000	S$'000	S$'000
Balance at 1 January	764	386	39	39
Provision made during the financial year	5	404	–	–
Utilised during the year	(39)	(26)	–	–
Balance at 31 December	730	764	39	39

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

23. Loans and borrowings

	Group	
	2016	2015
	S$'000	S$'000
Loan	4,166	4,242
Representing:		
Due within one year	2,083	170
Due later than one year but not later than five years	2,083	4,072
Balance at 31 December	4,166	4,242

In 2015, a financial institution granted a US$10,000,000 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$3,000,000 (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% (2015: 10%) 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

24. 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 2021 (2015: 2018) and the effective interest rates range from 2.9% to 5.8% (2015: 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 2016 S$'000	Present value of payments 2016 S$'000	Total minimum lease payments 2015 S$'000	Present value of payments 2015 S$'000
Group				
Not later than one year	871	812	1,439	1,341
Later than one year but not later than five years	1,051	989	1,171	1,130
Total minimum lease payments	1,922	1,801	2,610	2,471
Less: Amount representing finance charges	(121)	–	(139)	–
Present value of minimum lease payments	1,801	1,801	2,471	2,471
Company				
Not later than one year	82	79	83	76
Later than one year but not later than five years	31	30	114	111
Total minimum lease payments	113	109	197	187
Less: Amount representing finance charges	(4)	–	(10)	–
Present value of minimum lease payments	109	109	187	187

25. 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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

25. Abandonment and site restoration liabilities (Continued)

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 2016 was 5.35% to 7.94% (2015: 10.5% to 13.3%) 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.

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

	Group	
	2016 S$'000	2015 S$'000
Balance at 1 January	709	743
Farm-out of participating interests (Note 8(c))	(13)	–
Accretion during the year (Note 7)	77	57
Exchange differences	20	51
Changes in assumption	63	(136)
Less: cash set aside during the financial year	(6)	(6)
Balance at 31 December	850	709

26. Deferred tax

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

	Group			
	Consolidated statement of financial position		Consolidated income statement	
	2016 S$'000	2015 S$'000	2016 S$'000	2015 S$'000
Deferred tax liabilities:				
Oil and gas properties	(2,733)	(5,220)	(2,468)	(2,045)
	(2,733)	(5,220)	(2,468)	(2,045)
Deferred tax assets:				
Difference in timing of allowance recognition	33	212	179	(2)
Provisions	82	91	55	–
	115	303	(2,234)	(2,047)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

26. Deferred tax (Continued)

As at the end of the reporting period, the Group has unutilised tax losses and unabsorbed capital allowances of approximately S$3,361,000 (2015: S$4,402,000) and S$Nil (2015: S$300,000) 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	
	2016	**2015**
	S$'000	**S$'000**
Can be utilised up to:		
– 2016	–	142
– 2017	–	337
– 2018	916	935
– 2019	265	254
	1,181	1,668

27. Share capital and treasury shares

(a) *Share capital*

	Group and Company			
	2016		**2015**	
	No. of shares '000	**S$'000**	**No. of shares '000**	**S$'000**
Issued and fully paid ordinary shares				
At 1 January	471,214	123,601	387,069	101,133
New share issuance for placement	–	–	77,000	21,240
New share issuance for rights issue	56,619	10,724	–	–
New share issuance for share awards	19,490	3,582	7,145	1,741
Share issuance expense	–	(21)	–	(513)
At 31 December	547,323	137,886	471,214	123,601

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).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

27. Share capital and treasury shares (Continued)

(b) *Treasury shares*

	Group and Company			
	2016		2015	
	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.

28. Other reserves

(a) ***Share based payment reserve***

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

(b) ***Foreign currency translation reserve***

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

(c) ***Capital reserve***

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

(d) ***Gain on reissuance of treasury shares***

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

(e) ***Others***

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

29. Related party transactions

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

	Group	
	2016	**2015**
	S$'000	**S$'000**
Directors' fees	486	448
Directors' remuneration	1,254	1,362
Share based payments	2,966	2,166
Central Provident Fund contributions	9	–
	4,715	3,976
Key management personnel's remuneration	1,697	2,338
Central Provident Fund contributions	3	15
Share based payments	797	723
	2,497	3,076
	7,212	7,052

Directors' interests in share based payment scheme

During the financial year, 5,120,000 (2015: 3,557,000) and 5,167,200 (2015: 7,483,000) share options and share awards were granted to the Company's Directors under the RGSOS and RGPSP respectively (Note 6). The share options have an exercise price of S$0.18.

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 9,855,900, 1,957,712 and 1,300,800 (2015: 9,385,766, 4,422,000 and 3,813,944) 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	
	2016	**2015**
	S$'000	**S$'000**
Legal, secretarial fees, share registrar and corporate communication services payable to a firm of which a Director is the managing partner	853	848
Interest expense payable to Ortus Holdings Limited, an entity with common controlling shareholders, which is due upon repayment of the full loan	–	60
Rental of office space payable to a firm related to the Group	430	443

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

30. 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
2016							
Revenue:							
Sales to external customers	2,255	52,417	2,355	–	–	57,027	
Other income	321	1,761	44	19	–	2,145	
Inter-segment sales	–	25	756	37	(818)	–	A
Total revenue	2,576	54,203	3,155	56	(818)	59,172	
Segment (loss)/profit	(19,746)	1,319	(1,065)	(8,064)	–	(27,556)	
Finance costs						(750)	
Loss before tax						(28,306)	
Tax credit						2,128	
Net loss for the year						(26,178)	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

30. Segment information (Continued)

	Oil and gas S$'000	Logistics S$'000	Rental S$'000	Corporate S$'000	Eliminations/ adjustments S$'000	Total S$'000	Note
2016							
Interest income from bank	84	77	16	1	–	178	
Depreciation and amortization expenses	158	1,560	240	201	–	2,159	
Impairment loss on oil and gas properties	10,946	–	–	–	–	10,946	
Other non-cash expenses	456	1,542	190	3,508	–	5,696	B
Other segment information							
Segment assets	92,508	23,223	2,932	972	1,108	120,743	C
Segment liabilities	50,022	11,572	3,097	3,185	2,782	70,658	D
Additions to non-current assets	6,462	779	10	71	–	7,322	
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)	
Interest income from bank	–	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	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

30. **Segment information** (Continued)

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, allowance/write back for doubtful receivables, plant and equipment written off and impairment loss on property, plant and equipment and intangible assets.

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

	Group	
	2016	**2015**
	S$'000	**S$'000**
Deferred tax assets	115	303
Goodwill	993	993
	1,108	1,296

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	2,733	5,220
Income tax payable	49	134
	2,782	5,354

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**
2016			
Revenue	34,579	24,593	59,172
Non-current assets	5,682	58,674	64,356
2015			
Revenue	40,238	26,518	66,756
Non-current assets	6,682	73,942	80,624

Information about major customers

Revenue from 5 major customers amounted to S$40,252,000 (2015: 5 customers – S$43,081,000) arising from revenue of the logistics segment.

Revenue from 1 major customer amounted to S$2,953,000 (2015: 1 customer – S$2,866,000) arising from revenue of the oil and gas segment.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

31. 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 27 February 2017 (2015: PT Padma Raya Aktuaria, dated 8 January 2016).

	Group	
	2016	2015
	S$'000	S$'000
Defined benefit obligations at 31 December	1,101	1,162

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

	Group			
	Funded pension plan		Unfunded post-employment benefits	
	2016	2015	2016	2015
	S$'000	S$'000	S$'000	S$'000
Present value of defined benefit obligations	252	291	1,101	1,149
Fair value of plan assets	(252)	(278)	–	–
Net liability arising from defined benefit obligations	–	13	1,101	1,149

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

	Group			
	Funded pension plan		Unfunded post-employment benefits	
	2016	2015	2016	2015
	S$'000	S$'000	S$'000	S$'000
At 1 January	291	241	1,149	763
Interest cost	2	5	76	63
Current service cost	102	96	274	349
Actuarial gains arising from changes in financial assumptions	(75)	(44)	(35)	(221)
Past service cost	–	–	(161)	127
Plan amendments	–	–	21	–
Benefit paid	(99)	(3)	(1)	(7)
Disposal	–	–	(184)	–
Exchange differences	31	(4)	(38)	75
At 31 December	252	291	1,101	1,149

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

31. Defined benefit plan (Continued)

Changes in fair value of plan assets were as follows:

	Group Funded pension plan 2016 S$'000	2015 S$'000
At 1 January	278	154
Return/(loss) on plan assets	13	(6)
Contributions	42	137
Benefit paid	(96)	–
Exchange differences	15	(7)
At 31 December	252	278

All the Group's plan assets are in the Indonesian entities' equities as at 31 December 2016 and 2015. The Group expects to contribute S$69,600 (2015: S$77,300) to the defined benefit pension plans in 2017.

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

	2016	2015
Discount rates:	7.5% – 8.8%	8.8% – 9.0%
Expected annual rate of return on plan assets:	7.5%	8.8%
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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

32. 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	
	2016	**2015**
	S$'000	**S$'000**
Capital commitments in respect of oil and gas exploration	35,730	53,107

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 2 years (2015: 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 (2015: 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	
	2016	**2015**
	S$'000	**S$'000**
Not later than one year	5,061	7,407
Later than one year but not later than five years	5,401	6,830
	10,462	14,237

(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 2 years (2015: 1 to 3 years). Future minimum rentals receivable under non-cancellable operating leases at the end of the reporting period are as follows:

	Group	
	2016	**2015**
	S$'000	**S$'000**
Not later than one year	1,243	1,886
Later than one year but not later than five years	426	355
	1,669	2,241

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

33. Contingencies

Contingent liabilities

(a) ***Legal claim***

(i) 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 million, together with damages in the amount of US$498,598, totalling US$1,498,598.

In September 2015, the Court released its oral judgement 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 million.

The oral judgement 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 hearing is expected to take place in April 2017.

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.

(ii) 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.

SPE's interest was however 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.

An originating summons has been filed in the High Court of Singapore by Hexindo to set aside the partial final awards dated 1 August 2016 in favour of SPE, arising from an arbitration between the two parties on the forfeiture and subsequent substitution of SPE's interests in the Lemang PSC ("Awards").

Leave to serve the originating summons outside jurisdiction on SPE was granted to Hexindo on 29 December 2016 and legal proceedings are pending. Based on the advice of the Group's legal counsel, the Directors are of the opinion that there is at least a 50% or more chance that the Awards will be set aside. The Company intends to vigorously pursue the setting aside application.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

33. Contingencies (Continued)

(b) ***Guarantees***

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

(i) Guarantee to Pertamina of S$4,200,000 (2015: S$4,100,000) 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$2,636,000 (2015: S$2,636,000).

(iii) Guarantee to a vendor and a customer for a performance bond of S$212,000 (2015: S$200,000).

(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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

34. 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 on 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,

- 100% (2015: 98%) 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$3,229,000 (2015: S$4,182,000) that are not denominated in the subsidiaries' functional currencies.

Sensitivity analysis for foreign currency risk

A 5% (2015: 5%) strengthening of SGD and USD against IDR at the reporting date would have the impact as shown below. A 5% (2015: 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	
	2016 S$'000	2015 S$'000
SGD/IDR	161	209
USD/IDR	83	50

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

34. Financial risk management objectives and policies (Continued)

(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 on-going 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			
	2016		2015	
	S$'000	% of total	S$'000	% of total
By country:				
Singapore	8,570	69.9	9,544	65.8
Indonesia	3,699	30.1	4,956	34.2
	12,269	100.0	14,500	100.0

At the end of the reporting period, approximately 47% (2015: 47%) and 16% (2015: 14%) of the Group trade receivables were due from 4 (2015: 4) and 2 (2015: 2) major customers who are located in Singapore and Indonesia respectively.

Financial assets that are neither past due nor impaired

Trade and other receivables that are neither past due nor impaired are with creditworthy debtors with good payment record with the Group. Cash and short-term deposits that are neither past due nor impaired are placed with or entered into with reputable financial institutions or companies with high credit ratings and no history of default.

Financial assets that are either past due or impaired

Information regarding financial assets that are either past due or impaired is disclosed in Note 17 (Trade receivables) and Note 18 (Other receivables).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

34. Financial risk management objectives and policies (Continued)

(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 and the Company'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 48.5% (2015: 22.5%) of the Group's loans and borrowings (Note 23) and finance lease liabilities (Note 24) 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 used for managing liquidity risk and financial liabilities at the end of the reporting period based on contractual undiscounted repayment obligations.

	2016			2015		
	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	41,263	5,424	46,687	18,651	–	18,651
Cash and cash equivalents	11,730	–	11,730	11,532	–	11,532
Total undiscounted financial assets	52,993	5,424	58,417	30,183	–	30,183
Financial liabilities:						
Trade and other payables	44,900	11,420	56,320	31,801	206	32,007
Finance lease liabilities	871	1,051	1,922	1,439	1,171	2,610
Loans and borrowings	2,408	2,198	4,606	600	4,502	5,102
Total undiscounted financial liabilities	48,179	14,669	62,848	33,840	5,879	39,719
Total net undiscounted financial assets/(liabilities)	4,814	(9,245)	(4,431)	(3,657)	(5,879)	(9,536)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

34. Financial risk management objectives and policies (Continued)

(c) ***Liquidity risk*** (Continued)

	2016				2015			
	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	67,265	–	–	67,265	58,486	–	–	58,486
Loans to subsidiaries	–	–	29,289	29,289	–	–	36,165	36,165
Cash and cash equivalents	584	–	–	584	1,288	–	–	1,288
Total undiscounted financial assets	67,849	–	29,289	97,138	59,774	–	36,165	95,939
Financial liabilities:								
Trade and other payables	4,823	–	–	4,823	4,524	–	–	4,524
Finance lease liabilities	82	31	–	113	83	114	–	197
Total undiscounted financial liabilities	4,905	31	–	4,936	4,607	114	–	4,721
Total net undiscounted financial assets/(liabilities)	62,944	(31)	29,289	92,202	55,167	(114)	36,165	91,218

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

34. Financial risk management objectives and policies (Continued)

(c) ***Liquidity risk*** (Continued)

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			
2016			
Capital commitments	13,403	22,327	35,730
Operating lease commitments (net)	3,818	4,975	8,793
Total commitments	17,221	27,302	44,523
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
Company			
2016			
Operating lease commitments	82	–	82
2015			
Operating lease commitments	443	56	499

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
2016	
Financial guarantees	2,800
2015	
Financial guarantees	2,800

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

35. 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 2016 and 2015.

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	
	2016 S$'000	2015 S$'000
Loans and borrowings (Note 23)	4,166	4,242
Finance lease liabilities (Note 24)	1,801	2,471
Total borrowings	5,967	6,713
Equity	50,085	65,478
Gearing ratio	10.6%	9.3%

36. Fair value of assets and liabilities

Fair value hierarchy

The Group categories fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

– Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,

– Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and

– Level 3 – Unobservable inputs for the asset or liability.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

There was no transfer from Level 1 and Level 2 to Level 3 during the financial years ended 31 December 2016 and 2015.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2016

36. Fair value of assets and liabilities (Continued)

Financial instruments with carrying amounts that approximate their fair values

The carrying amounts of cash and cash equivalents, 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 are reasonable approximation of their fair values due to their short-term nature or are repriced frequently to market interest rates.

Fair value of financial instruments that are not carried at fair value and whose carrying amounts are not reasonable approximation of fair value

Information related to other receivables (non-current) and other payables (non-current) and loans to subsidiaries – Company Level is disclosed in Note 18, 21 and 15 of the financial statements respectively.

37. Authorisation of financial statements for issue

The financial statements for the financial year ended 31 December 2016 were authorised for issue in accordance with a resolution of Directors on 30 March 2017.

STATISTICS OF SHAREHOLDINGS

AS AT 17 MARCH 2017

Issued and Fully Paid-Up Capital	:	S$139,387,853.7236*
Class of Shares	:	Ordinary share
Voting Rights	:	One vote per share

* excludes non-voting issued and fully paid-up share capital held as treasury shares

DISTRIBUTION OF SHAREHOLDINGS

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 – 99	21	1.26	270	0.00
100 – 1,000	79	4.74	65,229	0.01
1,001 – 10,000	550	32.99	3,676,322	0.67
10,001 – 1,000,000	979	58.73	73,871,663	13.49
1,000,001 AND ABOVE	38	2.28	470,016,130	85.83
TOTAL	**1,667**	**100.00**	**547,629,614**	**100.00**

SUBSTANTIAL SHAREHOLDERS

	Direct Interest	%	Deemed Interest	%	Total Interest	%
Aditya Wisnuwardana Seky Soeryadjaya(3)	3,333,001	0.61	159,150,852	29.06	162,483,853	29.67
Edward Seky Soeryadjaya(2)	–	–	107,871,400	19.70	107,871,400	19.70
Mohammad Soetrisno Bachir(2)	–	–	107,871,400	19.70	107,871,400	19.70
Precious Treasure Global Inc.(2)	–	–	107,871,400	19.70	107,871,400	19.70
Redmount Holdings Limited(1)	172,200	0.03	107,699,200	19.67	107,871,400	19.70
Telecour Limited(3)	107,699,200	19.67	–	–	107,699,200	19.67
Dato' Sri Prof. Dr. Tahir, MBA and family(4)	–	–	68,000,000	12.42	68,000,000	12.42
Wing Harvest Limited(4)	68,000,000	12.42	–	–	68,000,000	12.42

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 and 46,000,000 Right Shares registered with RHB Securities 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 17 MARCH 2017

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Approximately 54.10% 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 17 March 2017 is 1,807,215 shares, approximately 0.33% of the total number of issued shares (excluding treasury shares).

TWENTY LARGEST SHAREHOLDERS

NO.	NAME	NO. OF SHARES	%
1	RHB SECURITIES SINGAPORE PTE. LTD.	219,589,500	40.10
2	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	72,729,000	13.28
3	SUMMIT GAIN CONSULTANTS LIMITED	19,800,000	3.62
4	DBS NOMINEES (PRIVATE) LIMITED	19,468,162	3.55
5	CITIBANK NOMINEES SINGAPORE PTE LTD	17,649,960	3.22
6	RAFFLES NOMINEES (PTE) LIMITED	14,845,500	2.71
7	OCBC SECURITIES PRIVATE LIMITED	11,735,108	2.14
8	PHILLIP SECURITIES PTE LTD	9,134,196	1.67
9	UOB KAY HIAN PRIVATE LIMITED	8,090,536	1.48
10	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	7,268,400	1.33
11	MAYBANK KIM ENG SECURITIES PTE LTD	6,611,900	1.21
12	DB NOMINEES (SINGAPORE) PTE LTD	5,451,652	1.00
13	LIM CHWEE KIM	5,000,000	0.91
14	LIN TING YIE @ LAM TIN YIE	4,582,200	0.84
15	ADITYA WISNUWARDANA SEKY SOERYADJAYA	3,333,001	0.61
16	GOH BEE LAN	3,139,500	0.57
17	LIM HOCK CHEE	3,100,000	0.57
18	LANYMARTA GANADJAJA	2,958,595	0.54
19	TAN CHONG HUAT	2,923,897	0.53
20	TEE GOON ENG	2,800,000	0.51
	TOTAL	**440,211,107**	**80.39**

STATISTICS OF WARRANTHOLDINGS

AS AT 17 MARCH 2017

DISTRIBUTION OF WARRANTHOLDINGS

SIZE OF WARRANTHOLDINGS	NO. OF WARRANTHOLDERS	%	NO. OF WARRANTS	%
1 – 99	0	0.00	0	0.00
100 – 1,000	13	7.83	10,445	0.02
1,001 – 10,000	77	46.38	365,400	0.65
10,001 – 1,000,000	73	43.98	7,073,099	12.49
1,000,001 AND ABOVE	3	1.81	49,169,759	86.84
TOTAL	**166**	**100.00**	**56,618,703**	**100.00**

TWENTY LARGEST WARRANTHOLDERS

NO.	NAME	NO. OF WARRANTS	%
1	ADITYA WISNUWARDANA SEKY SOERYADJAYA	46,000,000	81.25
2	CITIBANK NOMINEES SINGAPORE PTE LTD	1,669,759	2.95
3	HSBC (SINGAPORE) NOMINEES PTE LTD	1,500,000	2.65
4	LIN TING YIE @ LAM TIN YIE	765,200	1.35
5	RAFFLES NOMINEES (PTE) LIMITED	550,200	0.97
6	OCBC SECURITIES PRIVATE LIMITED	528,000	0.93
7	LAM CHENG LONG	503,600	0.89
8	TAN CHONG HUAT	462,500	0.82
9	TAY AH KONG	354,094	0.63
10	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	324,360	0.57
11	LEE WEI JEANETTE	320,000	0.57
12	SONG & WEN HOLDINGS PTE LTD	319,000	0.56
13	LEE MIN JACLYN	300,000	0.53
14	DBS NOMINEES (PRIVATE) LIMITED	234,200	0.41
15	PEH KOK WAH @ PEH WAH CHYE	182,000	0.32
16	HUI TSANG CHING	180,000	0.32
17	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	137,100	0.24
18	CHU JIN JY	120,000	0.21
19	GOH AH TEE @ GOH HUI CHUA	100,000	0.18
20	UOB KAY HIAN PRIVATE LIMITED	79,000	0.14
	TOTAL	**54,629,013**	**96.49**

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, #05-01 Richland Business Centre, Singapore 489949 on Monday, 24 April 2017 at 2.00 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 2016 together with the Auditors' Report thereon. **(Resolution 1)**

2. To re-elect the following Directors of the Company retiring pursuant to Regulation 111 of the Constitution of the Company:

   (i) Daniel Zier Johannes Jol (Retiring under Regulation 111) **(Resolution 2)**
   (ii) Tay Ah Kong Bernard (Retiring under Regulation 111) **(Resolution 3)**

   [See Explanatory Note (i)]

3. To approve the payment of Directors' fees up to S$471,250 for the year ending 31 December 2017.
   (Resolution 4)

4. To re-appoint Ernst & Young LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
   (Resolution 5)

5. To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

6. **Authority to issue shares**

   That pursuant to Section 161 of the Companies Act, Cap. 50 ("**Companies Act**") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the Directors of the Company be authorised and empowered to:

   (a) (i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into shares,

   at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

   (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

(1) the aggregate number of shares (including shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution)

(A) by way of renounceable rights issues on a *pro-rata* basis to Shareholders of the Company ("**Renounceable Rights Issues**") shall not exceed 100 per centum (100%) of the total number of issued shares excluding treasury shares (as calculated in paragraph (3) below); or

(B) otherwise than by way of Renounceable Rights Issues ("**Other Share Issues**") shall not exceed 50 per centum (50%) of the total number of issued shares excluding treasury shares (as calculated in accordance with paragraph (3) below), of which the aggregate number of shares to be issued other than on a *pro-rata* basis to shareholders of the Company shall not exceed 20 per centum (20%) of the total number of issued shares excluding treasury Shares (as calculated in accordance with paragraph (3) below);

(2) the Renounceable Rights Issues and Other Share Issues shall not, in aggregate exceed 100 per centum (100%) of the total number of issued shares excluding treasury shares (as calculated in paragraph (3) below);

(3) (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 paragraphs (1)(A) and (1)(B) above, the percentage of issued shares [and Instruments] shall be based on the total 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 which are outstanding [or] subsisting at the time this Resolution is passed; and

(c) any subsequent bonus issue, consolidation or subdivision of shares;

(4) in exercising the authority 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

(5) unless revoked or varied by the Company in a general meeting, the authority conferred by this Resolution shall continue in force (i) until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier or (ii) in the case of shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution, until the issuance of such shares in accordance with the terms of the Instruments.

[See Explanatory Note (ii)] **(Resolution 6)**

NOTICE OF ANNUAL GENERAL MEETING

7. **Authority to issue shares under the Ramba Group Share Option Scheme**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant options ("**Options**") under the Ramba Group Share Option Scheme ("**RGSOS**") and to allot and issue from time to time such number of shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted by the Company under the RGSOS, whether granted during the subsistence of this authority or otherwise, provided always that the aggregate number of additional ordinary shares to be issued pursuant to the RGSOS shall not exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company, but subject to the aggregate number of shares available under all schemes including share award/share plans (as defined in "**Resolution 8**") must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iii)] **(Resolution 7)**

8. **Authority to issue shares under the Ramba Group Performance Share Plan**

That pursuant to Section 161 of the Companies Act, the Directors of the Company be authorised and empowered to offer and grant awards ("**Awards**") in accordance with the provision of Ramba Group Performance Share Plan ("**RGPSP**") and to issue and/or deliver from time to time such number of shares in the capital of the Company (excluding treasury shares) as may be required to be issued and/or delivered pursuant to the RGPSP shall not exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company, but subject to the aggregate number of shares available under all schemes including share award/share plans must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier.

[See Explanatory Note (iv)] **(Resolution 8)**

By Order of the Board

Chew Kok Liang
Company Secretary
Singapore, 7 April 2017

NOTICE OF ANNUAL GENERAL MEETING

Explanatory Notes:

(i) Mr Daniel Zier Johannes Jol will, upon re-election as Director of the company, remain as Executive Director and he will be considered non-independent.

Mr Tay Ah Kong Bernard will, upon re-election as Director of the Company, remain as Chairman of the Audit Committee and a member of the Nominating and Remuneration Committees and he will be considered independent for the purpose of Rule 704(8) of the Listing Manual of the SGX-ST.

(ii) The Ordinary Resolution 6 in item 6 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 (i) 100% for Renounceable Rights Issues or (ii) 50% for Other Share Issues, of which up to 20% may be issued other than on a pro-rata basis to shareholders of the Company, provided that, the total number of shares which may be issued pursuant to (i) and (ii) shall not exceed 100% of the issued shares (excluding treasury shares).

For the purpose of determining the aggregate number of shares that may be issued, the total number 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 which are outstanding or subsisting at the time when this Ordinary Resolution is passed, and any subsequent bonus issue, consolidation or subdivision of shares.

The mandate for Renounceable Rights Issues is proposed pursuant to Practice Note 8.3 of the Listing Manual, which provisionally permits issuers to raise the existing rights issue limit of 50% to 100% of the total number of issued shares (excluding treasury shares) (the "**Enhanced Rights Issue Limit**"). The purpose of the Enhanced Rights Issue Limit is to widen the available fund-raising avenues of issuers that may be facing challenges amid current uncertainties and the tightening of financial conditions, and in order to rely on the Enhanced Rights Issue Limit, shares issued pursuant to this enhanced limit must be issued by 31 December 2018.

The Enhanced Rights Issue Limit is also subject to the following conditions:

(a) the Enhanced Rights Issue Limit must be for the purpose of financing the issuer's business needs;

(b) the rights issue relying on the Enhanced Rights Issue Limit must be renounceable;

(c) the issuer must disclose that the Board is of the view that the Enhanced Rights Issue Limit is in the interests of the issuer and its shareholders;

(d) the issuer must notify the Exchange by email when a general mandate with an Enhanced Rights Issue Limit has been approved by shareholders;

(e) in announcing a rights issue utilising the Enhanced Rights Issue Limit, an issuer must state additional disclosures in a separate section; and

(f) the issuer must continue to comply with any applicable legal requirements under the Companies Act and Business Trusts Act, disclosure requirements in respect of use of proceeds, and limitations in any existing mandate from shareholders.

NOTICE OF ANNUAL GENERAL MEETING

If and when the Board relies on the mandate for the Renounceable Rights Issues, the Board will provide the disclosure required under paragraph 3.4 of Practice Note 8.3 of the Listing Manual that the increased rights issue limit is in the interests of the Company and its Shareholders.

Unless renewed, shareholders should note that the mandate for the Renounceable Rights Issues sought at this meeting shall expire at 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.

(iii) The Ordinary Resolution 7 in item 7 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 8**") must not exceed 15% of the total number of issued shares (excluding treasury shares) from time to time.

(iv) The Ordinary Resolution 8 in item 8 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 7**") and RGPSP (as defined in "**Resolution 8**"), 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.

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 (2) 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 (2) proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her (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 seventy-two (72) 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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DeGolyer and MacNaughton
F-716
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, 2016
on
RESERVES and CONTINGENT RESOURCES
of
CERTAIN FIELDS
in
INDONESIA
for
RAMBA ENERGY LIMITED

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DEGOLYER AND MACNAUGHTON

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DEGOLYER AND MACNAUGHTON
5001 SPRING VALLEY ROAD
SUITE 800 EAST
DALLAS, TEXAS 75244

REPORT
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RESERVES and CONTINGENT RESOURCES
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FOREWORD

Scope of Investigation

This report presents estimates, as of December 31, 2016, 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 located 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 31-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	Contract Expiration Date	Type of Mineral, Oil, or Gas Deposit
Lemang PSC	31%	Producing	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

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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, 2016. Working interest reserves are defined as that portion of the gross reserves attributable to the working interests owned by Ramba, as of December 31, 2016, 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 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, 2016. 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, 2016, 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 Sub-Marginal. 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.

Authority

This report was authorized by David Aditya Soeryadjaya, Chief Executive Officer, Ramba Energy Limited.

Source of Information

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.

Where appropriate, the volumetric method was used to estimate the original oil in place (OOIP) or original gas in place (OGIP). Structure maps were prepared to delineate each reservoir, and isopach maps were constructed to estimate reservoir volume. Electrical logs, radioactivity logs, core analyses, and other available data were used to prepare these maps as well as to estimate representative values for porosity and water saturation.

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, 2016, and made available for this evaluation, have been used to prepare the estimates shown herein. The reserves estimates

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presented herein were based on consideration of monthly production data through December 31, 2016. Estimated cumulative production, as of December 31, 2016, was deducted from the gross ultimate recovery to estimate gross reserves.

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. Marketable gas includes fuel.

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 both 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 the contract, whichever occurs first.

Jatirarangon Field

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 working 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) 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. No oil reserves

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have been estimated for the Jatirarangon field. Figure 2 shows the stratigraphic column for the Jatirarangon field.

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- and field-level forecasts of gas production decline-curve analysis of gas-rate-versus-time trends. Estimated proved reserves are also associated with two workovers that Ramba has represented are planned for 2017. Liquids in the JRR-07 well are planned to be unloaded and the well returned to production. A workover to clean scale and remove stuck tools from the JRR-01D is planned to return the well to a higher production rate. Probable and possible reserves were estimated for wells, as applicable, associated with incremental recovery above quantities estimated for proved and probable reserves, respectively.

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

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(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. Five sandstone reservoirs were tested: three gas reservoirs in the Upper TAF and two oil reservoirs in the Lower TAF. The five tested reservoirs in the Lemang field were estimated to contain proved, probable, and possible reserves. Possible reserves were estimated for one additional gas reservoir and nine additional oil reservoirs that have not been tested. Figure 3 shows the stratigraphic column for the Lemang and West Jambi fields.

Ramba has represented that on November 16, 2016, oil and gas production began in the Lemang field from the Akatara-2 well. The oil and gas production rates from the well were consistent with initial production rates, reported as on test rates and other data received from Ramba.

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" electrical properties, 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, 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 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

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associated with possible reserves based on weight-averaged S_w estimates from intervals in these reservoirs where resistivity does not appear to be reduced by the presence of pyrite.

A seismic project containing two-dimensional (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 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 of 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 which was 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. Three gas reservoirs were 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 previously.

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. Pressure-volume-temperature data from samples acquired during a DST of the AKT-2 well in the SEQ-3.40 reservoir in the Lower TAF indicated an initial GOR of 990 cubic feet per barrel. The initial solution GOR in other oil reservoirs in the

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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 an areal reservoir limit in addition to the LKO or LKG downdip reservoir limits 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 oil reserves were estimated in the Lemang field using the volumetric method and based on development plans provided by Ramba. Due to a lack of a gas sales agreement, no proved gas reserves were estimated for the Lemang field. However, Ramba has represented that there are ongoing talks to market the gas. Probable and possible oil, condensate, and gas reserves were estimated for the Lemang field. Probable and possible reserves are 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, 2016, 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	3,642	0	350	1,129	0	245
Probable	7,920	275	57,718	2,455	85	18,005
Possible	31,545	119	55,188	9,779	37	17,221

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. During 2016, Ramba divested a portion of its interests in the Lemang field, thereby reducing its share from a 51-percent to a 31-percent working interest.

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ECONOMIC BASIS for RESERVES ESTIMATES

Future prices and costs were provided by Ramba in United States dollars (U.S.$) as of December 31, 2016. The assumptions used for estimating future prices and costs were as follows:

Oil and Condensate Prices

Estimated future oil prices provided by Ramba for the Lemang field were based on a schedule of U.S.$50.00 per barrel in 2017 and then escalated annually through 2021 to a maximum price of U.S.$70.00. Ramba provided an estimated future condensate price schedule of U.S.$40.00 per barrel in 2017 and then escalated annually through 2021 to a maximum price of $56.00. The estimated future oil and condensate prices provided by Ramba are shown in the following table, expressed in United States dollars per barrel (U.S.$/bbl):

Year	Oil (U.S.$/bbl)	Condensate (U.S.$/bbl)
2017	50.00	40.00
2018	55.00	44.00
2019	60.00	48.00
2020	65.00	52.00
2021 and thereafter	70.00	56.00

Gas Prices

Estimated future gas prices provided by Ramba for the Jatirarangon field were U.S.$5.55 per million British thermal units and were held constant thereafter. For the Lemang field, Ramba provided estimated future gas prices of U.S.$3.00 per thousand cubic feet beginning in 2019, with a 3-percent per year escalation beginning in 2020. 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.

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Operating Expenses, Capital Costs, and Abandonment Costs

Estimates of operating expenses, capital costs, and abandonment fund obligations were provided by Ramba. These expenditures have been considered in determining the economic viability of the undeveloped reserves summarized herein. 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. Marketable gas includes fuel gas.

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

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conditions and is in communication with an underlying oil zone. Solution gas is gas 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. 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 the West Jambi field.

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” electrical properties, 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

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method. Net gas pay thickness isopach maps were prepared to estimate OGIP 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 Sub-Marginal. 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.

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- Contracts to sell produced quantities will need to be negotiated at prices sufficient to justify commercial development.

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, 2016, 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 contingent resources evaluated herein.
3. All contingent resources estimated herein have an economic status of Sub-Marginal.

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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, 2016, 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	3,642	0	350	1,129	0	245
Probable	7,920	275	57,718	2,455	85	18,005
Possible	31,545	119	55,188	9,779	37	17,221

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. During 2016, Ramba divested a portion of its interests in the Lemang field, thereby reducing its share from a 51-percent to a 31-percent working interest.

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, 2016, are summarized as follows, expressed in thousands of barrels (Mbbl) and millions of cubic feet (MMcf):

	Gross Contingent Resources			Working Interest Contingent Resources		
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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 contingent resources evaluated herein.
3. All contingent resources estimated herein have an economic status of Sub-Marginal.

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While the oil and gas industry may be subject to regulatory changes from time to time that could affect an industry participant's ability to recover its oil and gas reserves, we are not aware of any such governmental actions which would restrict the recovery of the December 31, 2016, estimated oil and gas reserves.

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

DeGOLYER and MacNAUGHTON
Texas Registered Engineering Firm F-716

SIGNED: March 17, 2017

STATE OF TEXAS
THOMAS CAMPBELL PENCE
73562
REGISTERED PROFESSIONAL ENGINEER

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

APPENDIX A

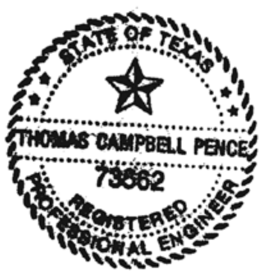
DeGolyer and MacNaughton

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, 2016 on Reserves and Contingent Resources of Certain Fields in Indonesia for Ramba Energy Limited" dated March 17, 2017, 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 34 years of experience in the oil and gas reservoir studies and reserves evaluations.



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

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FIGURE 1
LOCATION MAP
CERTAIN FIELDS
INDONESIA

APPENDIX A

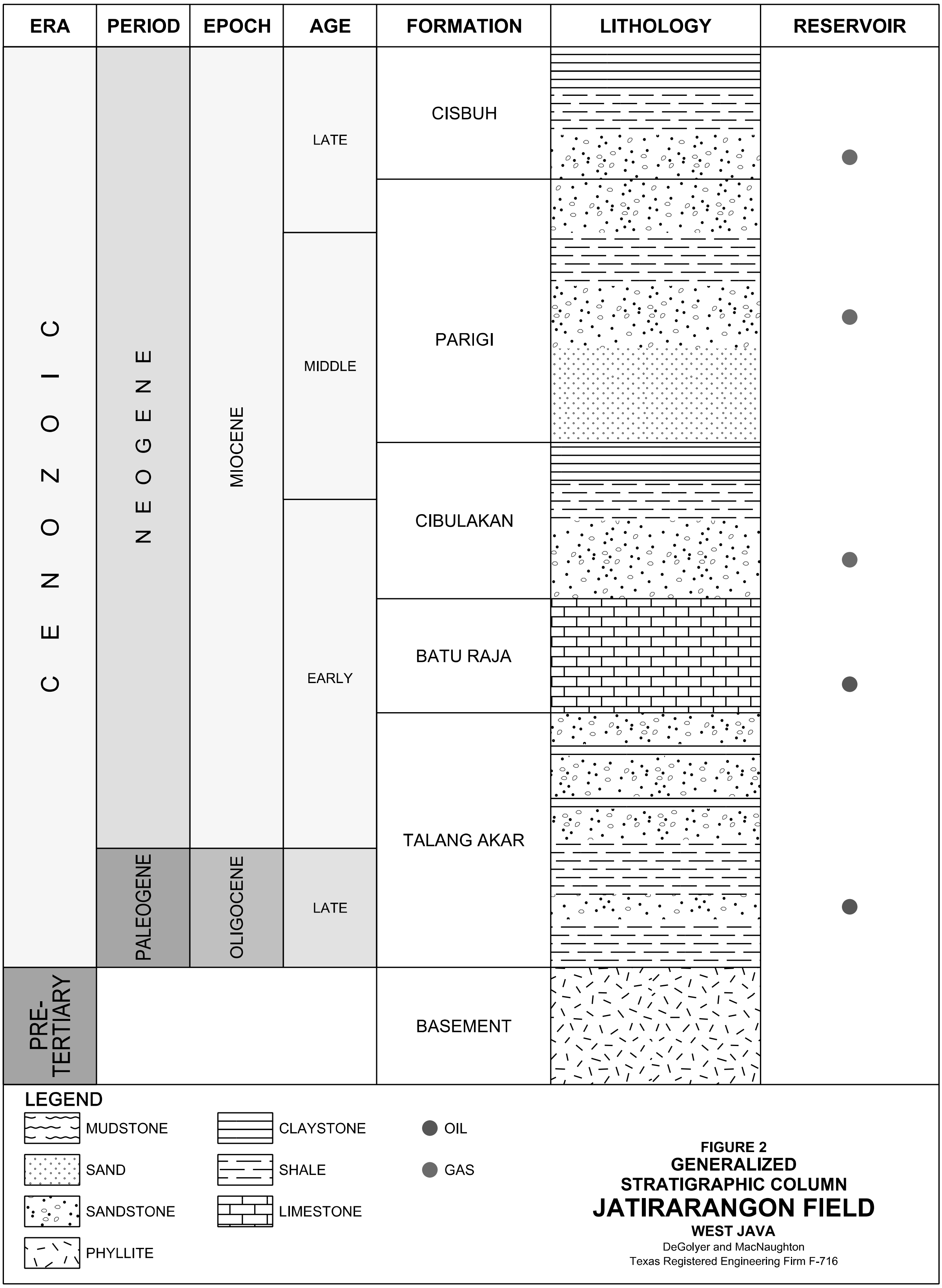

FIGURE 2
GENERALIZED
STRATIGRAPHIC COLUMN
JATIRARANGON FIELD
WEST JAVA
DeGolyer and MacNaughton
Texas Registered Engineering Firm F-716

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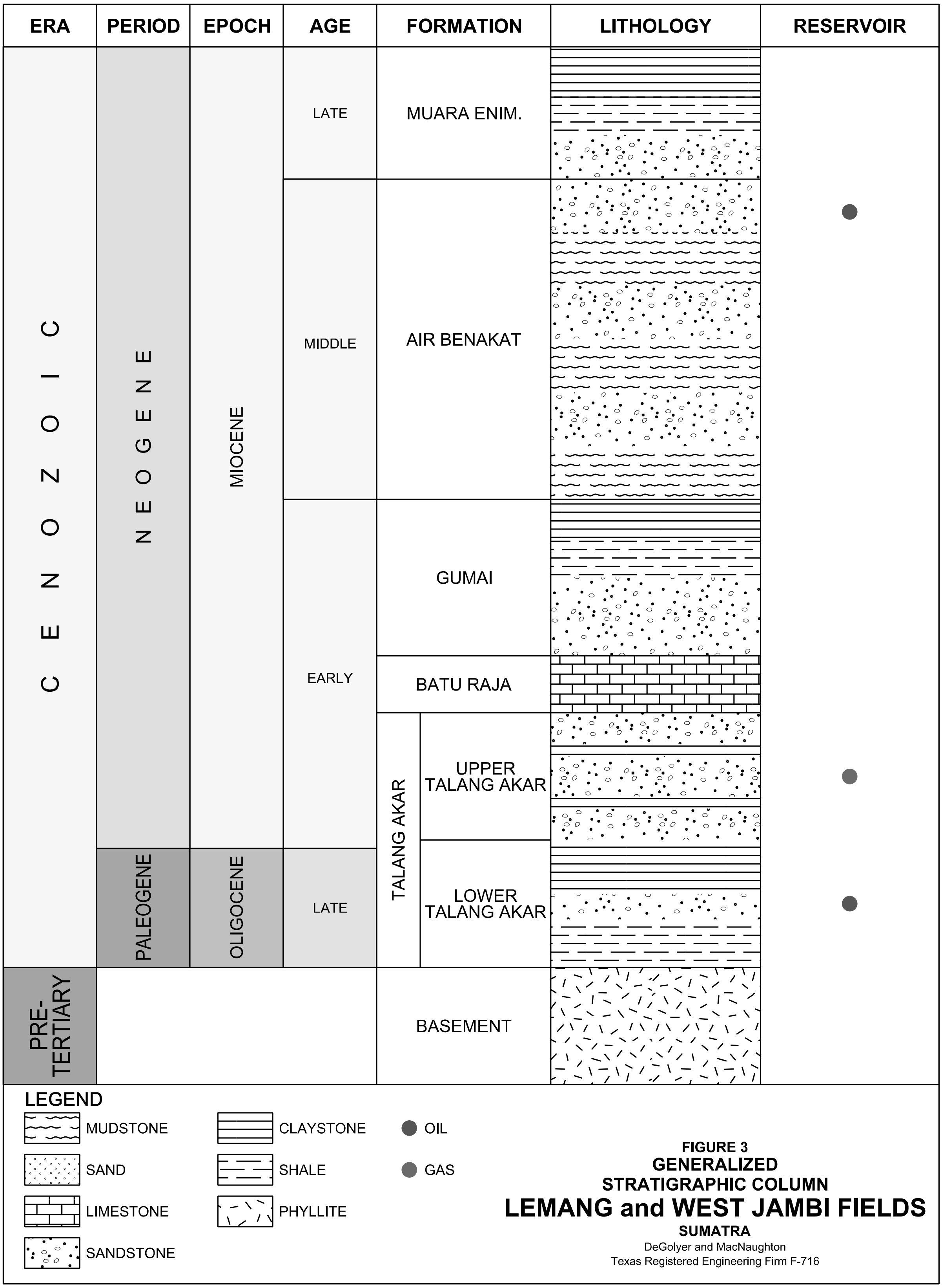

FIGURE 3
GENERALIZED
STRATIGRAPHIC COLUMN
LEMANG and WEST JAMBI FIELDS
SUMATRA
DeGolyer and MacNaughton
Texas Registered Engineering Firm F-716

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RAMBA ENERGY LIMITED

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

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.

PROXY FORM

(Please see notes overleaf before completing this Form)

*I/We, ____________________ (Name) ____________ (NRIC/Passport No.)

of ________________________________ (Address)

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, #05-01 Richland Business Centre, Singapore 489949 on Monday, 24 April 2017 at 2.00 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/their discretion.

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.

No.	Resolutions relating to:	No. of votes 'For'	No. of votes 'Against'
1.	Audited Financial Statements for the financial year ended 31 December 2016		
2.	Re-election of Mr Daniel Zier Johannes Jol as a Director		
3.	Re-election of Mr Tay Ah Kong Bernard as a Director		
4.	Approval of Directors' fees amounting to S$471,250 for the financial year ending 31 December 2017		
5.	Re-appointment of Ernst & Young LLP as Auditors and authority to Directors to fix remuneration		
6.	Authority to issue shares		
7.	Authority to issue shares under Ramba Group Share Option Scheme		
8.	Authority to issue shares under the Ramba Group Performance Share Plan		

Dated this ________ day of __________ 2017

Total number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Members	

____

Signature of Shareholder(s)
or Common Seal of Corporate Shareholder

* Delete where inapplicable

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 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 (1) or two (2) 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 (2) 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 (2) 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 seventy-two (72) 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/her 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 Meeting dated 7 April 2017.

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 seventy-two (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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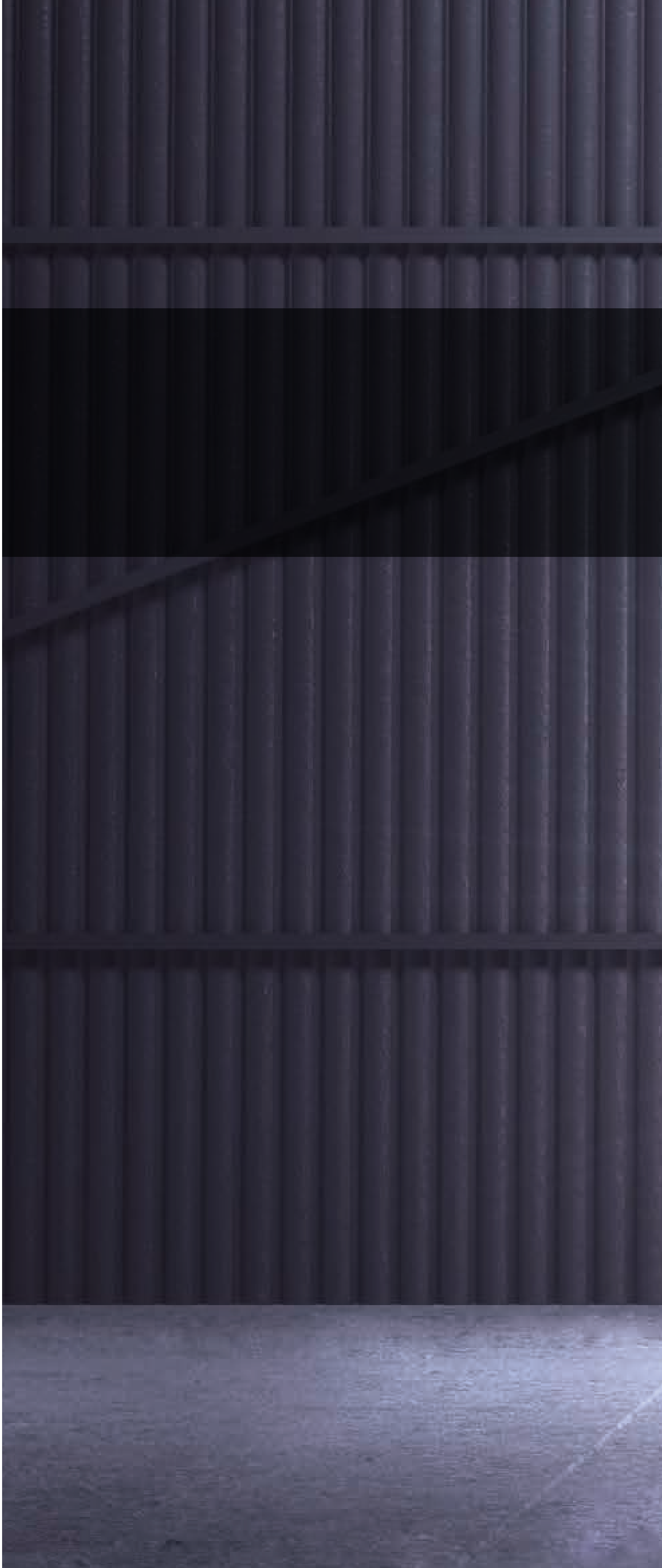

Ramba Energy Limited

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Singapore 069414
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Website: www.ramba.com

Company Reg No. 200301668R