



## **Financial Statements and Dividend Announcement**

**For Twelve Months and Fourth Quarter  
Ended 31 March 2014**

**JASPER INVESTMENTS LIMITED**  
(Company Registration No. 198700983H)

**UNAUDITED RESULTS FOR TWELVE MONTHS AND FOURTH QUARTER ENDED 31 MARCH 2014.**

**PART I – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR TWELVE MONTHS AND FOURTH QUARTER ENDED 31 MARCH 2014**

	Group		Group	
	4Q FY2014 US\$'000	4Q FY2013 US\$'000	12M FY2014 US\$'000	12M FY2013 US\$'000
Revenue	17,485	377	74,602	377
Cost of sales	(10,395)	(8,177)	(37,515)	(32,768)
Depreciation for drilling rig	(5,219)	(5,143)	(20,721)	(20,569)
Gross profit/(loss)	1,871	(12,943)	16,366	(52,960)
Other income	(1,995)	49	151	64,260
Other operating expenses	(478)	-	(509)	-
Other expenses	(7,798)	(11,268)	(12,658)	(26,656)
Administrative expenses	(5,114)	(3,165)	(13,337)	(8,953)
Interest expenses	(5,367)	(5,358)	(21,466)	(21,852)
Loss before taxation	(18,881)	(32,685)	(31,453)	(46,161)
Taxation	(2,612)	(219)	(2,633)	(198)
Loss after taxation representing total comprehensive loss for the period	(21,493)	(32,904)	(34,086)	(46,359)
Attributable to:				
Equity holders of the Company	(21,143)	(32,337)	(33,523)	(44,398)
Non-controlling interests	(350)	(567)	(563)	(1,961)
	(21,493)	(32,904)	(34,086)	(46,359)

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

Loss for the period is determined after (charging)/crediting the followings:

	Group		Group	
	4Q FY2014	4Q FY2013	12M FY2014	12M FY2013
	US\$'000	US\$'000	US\$'000	US\$'000
<b><u>Charging:</u></b>				
Depreciation of plant and equipment	(5,248)	(5,175)	(20,826)	(20,669)
Foreign exchange loss	(47)	(92)	(287)	(285)
Impairment charge on asset held-for-sale	-	-	-	(286)
Impairment in value of plant and equipment	(1,679)	(107)	-	(107)
Impairment of trade receivable	(5,479)	-	(5,479)	-
Amortisation of bond transaction charges	(230)	(202)	(813)	(688)
Term loan transaction costs	-	-	-	(3,745)
Repair and maintenance on drilling rig	(122)	(8,695)	(2,681)	(20,739)
Loss on disposal of plant and equipment	-	-	(57)	-
Loss on disposal of asset held-for-sale	-	-	(78)	-
<b><u>Crediting:</u></b>				
Net (loss)/gain on disposal of jack-up rigs	-	(2,164)	-	63,710
Interest income	3	18	24	46
Miscellaneous income	-	-	-	268

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

**STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2014**

	Group		Company	
	31/3/2014 US\$'000	31/3/2013 US\$'000	31/3/2014 US\$'000	31/3/2013 US\$'000
<b><u>Non-Current Assets</u></b>				
Plant and equipment	412,738	431,303	-	8
Other assets	-	36	-	36
Investment in subsidiaries	-	-	-	118,502
	<b>412,738</b>	<b>431,339</b>	<b>-</b>	<b>118,546</b>
<b><u>Current Assets</u></b>				
Trade and other receivables	24,734	11,921	32	24
Amount due from subsidiaries	-	-	364,898	340,121
Cash and bank balances	34,313	64,213	4,296	45,290
	<b>59,047</b>	<b>76,134</b>	<b>369,226</b>	<b>385,435</b>
Asset held-for-sale	-	1,620	-	-
	<b>59,047</b>	<b>77,754</b>	<b>369,226</b>	<b>385,435</b>
<b>Total Assets</b>	<b>471,785</b>	<b>509,093</b>	<b>369,226</b>	<b>503,981</b>
<b><u>Capital and Reserves</u></b>				
Share capital	590,883	589,731	590,883	589,731
Reserves	(296,112)	(262,589)	(290,331)	(155,016)
	<b>294,771</b>	<b>327,142</b>	<b>300,552</b>	<b>434,715</b>
Non-controlling interests	(3,729)	(3,166)	-	-
Total equity	<b>291,042</b>	<b>323,976</b>	<b>300,552</b>	<b>434,715</b>
<b><u>Non-Current Liabilities</u></b>				
Borrowings	157,913	157,100	-	-
	<b>157,913</b>	<b>157,100</b>	<b>-</b>	<b>-</b>
<b><u>Current Liabilities</u></b>				
Trade and other payables	20,151	27,999	179	727
Amount due to subsidiaries	-	-	67,165	68,539
Provision for taxation	2,679	18	1,330	-
	<b>22,830</b>	<b>28,017</b>	<b>68,674</b>	<b>69,266</b>
<b>Total liabilities</b>	<b>180,743</b>	<b>185,117</b>	<b>68,674</b>	<b>69,266</b>
<b>Total Equity and Liabilities</b>	<b>471,785</b>	<b>509,093</b>	<b>369,226</b>	<b>503,981</b>

**1(b)(ii) Aggregate amount of group's borrowings and debt securities.**

**Amount repayable in one year or less, or on demand**

<u>As at 31/3/2014</u>		<u>As at 31/3/2013</u>	
<u>US\$'000</u>		<u>US\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
-	-	-	-

**Amount repayable after one year**

<u>As at 31/3/2014</u>		<u>As at 31/3/2013</u>	
<u>US\$'000</u>		<u>US\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
157,913	-	157,100	-

Notes:-

Borrowings – secured as at 31 Mar 2014

This relates to US\$165 million Senior Secured Bonds ("Bonds") due on 27 May 2016, secured *inter alia* by: -

- a first priority mortgage over the drilling rig
- an assignment of insurances
- pledge of shares of certain subsidiaries
- corporate guarantees from certain subsidiaries
- an assignment of drilling contracts with duration of more than twelve months

There are financial and other covenants typical for bonds of this nature which the Group has to observe.

The Group had since bought back Bonds of aggregate principal amount of US\$6 million for which cash consideration of US\$4.9 million had been paid. The amount of secured borrowings is shown net of repurchased Bonds and transaction costs which will be amortised over the term of the Bonds.

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial period.**

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR TWELVE MONTHS AND FOURTH QUARTER ENDED 31 MARCH 2014**

	Group		Group	
	4Q FY2014 US\$'000	4Q FY2013 US\$'000	12M FY2014 US\$'000	12M FY2013 US\$'000
<u>Cash flows from operating activities</u>				
Loss before taxation	(18,881)	(32,685)	(31,453)	(46,161)
Adjustments for :				
Depreciation of plant and equipment	5,248	5,175	20,826	20,669
Interest income	(3)	(18)	(24)	(46)
Interest expenses	5,367	5,358	21,466	21,852
Amortisation of bond transaction charges	230	202	813	688
Write off plant and equipment	-	4	-	4
Gain on disposal of investment	-	-	(39)	-
Loss/(gain) on disposal of jack-up rig	-	2,164	-	(63,710)
Loss on disposal of plant and equipment	-	-	57	-
Loss on disposal of asset held-for-sale	-	-	78	-
Impairment in value of plant and equipment	1,679	107	-	107
Impairment charge on asset held-for-sale	-	-	-	286
Issuance of share under shares incentive plan	39	776	1,152	3,313
Operating (loss)/gain before working capital changes	(6,321)	(18,917)	12,876	(62,998)
Changes in working capital				
-decrease/(increase) in operating receivables	9,584	1,772	(12,814)	135
-decrease in operating payables	(2,704)	(158)	(2,797)	(344)
Cash generated from/(used in) operations	559	(17,303)	(2,735)	(63,207)
Income tax recovered/(paid)	59	(201)	29	(221)
Net cash generated from/(used in) operating activities	618	(17,504)	(2,706)	(63,428)
<u>Cash flows from investing activities</u>				
Interest received	3	18	24	46
Acquisition of plant and equipment (Note A)	(534)	(2,254)	(6,032)	(4,311)
Downpayment/prepaid costs for jack-up rigs	-	(4)	-	(4,476)
Purchase of inventories, now classified as asset held-for-sale	-	-	-	(1,906)
Proceeds from disposal of asset held-for-sale	97	-	97	-
Proceeds from disposal of investment	-	-	76	-
Proceeds from disposal of jack-up rigs	-	-	-	145,141
Proceeds from disposal of plant and equipment	-	-	298	-
Net cash (used in)/generated from investing activities	(434)	(2,240)	(5,537)	134,494
<u>Cash flows from financing activities</u>				
Interest paid	202	-	(21,466)	(21,789)
Repayment of term loan	-	-	-	(500)
Buy-back of bonds	-	-	-	(4,940)
Net cash generated from/(used in) financing activities	202	-	(21,466)	(27,229)
Net increase/(decrease) in cash and cash equivalents	386	(19,744)	(29,709)	43,837
Cash and cash equivalents at the beginning	33,883	83,877	64,213	20,286
Effect of foreign exchange rate changes	44	80	(191)	90
Cash and cash equivalents at the end	34,313	64,213	34,313	64,213

**(A) Purchase of plant and equipment**

In FY2014, the Group acquired plant and equipment with an aggregate cost of approximately US\$6.0 million (FY2013 - US\$4.3 million) of which cash payments of approximately US\$6.0 million (FY2013 - US\$4.3 million) were made for the purchases.

**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

**STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2014**

<b>Company</b>	<b>Share Capital US\$'000</b>	<b>Other Reserve US\$'000</b>	<b>Accumulated Losses US\$'000</b>	<b>Grand Total US\$'000</b>
<b><u>12 months ended 31 March 2014</u></b>				
Balance as at 01/04/2013	589,731	168	(155,184)	434,715
Issued during the period	973	-	-	973
Total comprehensive loss for the period	-	-	(958)	(958)
Balance as at 30/06/2013	590,704	168	(156,142)	434,730
Balance as at 30/06/2013	590,704	168	(156,142)	434,730
Issued during the period	37	-	-	37
Total comprehensive loss for the period	-	-	(364)	(364)
Balance as at 30/09/2013	590,741	168	(156,506)	434,403
Balance as at 30/09/2013	590,741	168	(156,506)	434,403
Issued during the period	103	-	-	103
Total comprehensive loss for the period	-	-	(357)	(357)
Balance as at 31/12/2013	590,844	168	(156,863)	434,149
Balance as at 31/12/2013	590,844	168	(156,863)	434,149
Issued during the period	39	-	-	39
Total comprehensive loss for the period	-	-	(133,636)	(133,636)
Balance as at 31/03/2014	590,883	168	(290,499)	300,552
<b><u>12 months ended 31 March 2013</u></b>				
Balance as at 01/04/2012	586,418	335	(153,599)	433,154
Issued during the period	1,617	-	-	1,617
Total comprehensive loss for the period	-	-	(229)	(229)
Balance as at 30/06/2012	588,035	335	(153,828)	434,542
Balance as at 30/06/2012	588,035	335	(153,828)	434,542
Issued during the period	747	-	-	747
Total comprehensive loss for the period	-	-	(300)	(300)
Balance as at 30/09/2012	588,782	335	(154,128)	434,989
Balance as at 30/09/2012	588,782	335	(154,128)	434,989
Issued during the period	173	-	-	173
Transfer of share option reserve*	-	(167)	167	-
Total comprehensive loss for the period	-	-	(345)	(345)
Balance as at 31/12/2012	588,955	168	(154,306)	434,817
Balance as at 31/12/2012	588,955	168	(154,306)	434,817
Issued during the period	776	-	-	776
Total comprehensive loss for the period	-	-	(878)	(878)
Balance as at 31/03/2013	589,731	168	(155,184)	434,715

\* This relates to share options that had been lapsed.

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2014

	Share Capital US\$'000	Other Reserve US\$'000	Exchange Fluctuation Reserve US\$'000	Total Reserve US\$'000	Accumulated Losses US\$'000	Non- controlling Interests US\$'000	Grand Total US\$'000
<b>Group</b>							
<b>12 months ended 31 March 2014</b>							
Balance as at 01/04/2013	589,731	3,241	1,266	4,507	(267,096)	(3,166)	323,976
Issued during the period	973	-	-	-	-	-	973
Total comprehensive loss for the period	-	-	-	-	(14,311)	(260)	(14,571)
Balance as at 30/06/2013	590,704	3,241	1,266	4,507	(281,407)	(3,426)	310,378
Balance as at 30/06/2013	590,704	3,241	1,266	4,507	(281,407)	(3,426)	310,378
Issued during the period	37	-	-	-	-	-	37
Total comprehensive income for the period	-	-	-	-	1,357	31	1,388
Balance as at 30/09/2013	590,741	3,241	1,266	4,507	(280,050)	(3,395)	311,803
Balance as at 30/09/2013	590,741	3,241	1,266	4,507	(280,050)	(3,395)	311,803
Issued during the period	103	-	-	-	-	-	103
Total comprehensive income for the period	-	-	-	-	574	16	590
Balance as at 31/12/2013	590,844	3,241	1,266	4,507	(279,476)	(3,379)	312,496
Balance as at 31/12/2013	590,844	3,241	1,266	4,507	(279,476)	(3,379)	312,496
Issued during the period	39	-	-	-	-	-	39
Total comprehensive loss for the period	-	-	-	-	(21,143)	(350)	(21,493)
Balance as at 31/03/2014	590,883	3,241	1,266	4,507	(300,619)	(3,729)	291,042
<b>12 months ended 31 March 2013</b>							
Balance as at 01/04/2012	586,418	3,408	1,266	4,674	(215,295)	(1,060)	374,737
Effect of change in accounting policy	-	-	-	-	(7,570)	(145)	(7,715)
Balance as at 01/04/2012 as restated	586,418	3,408	1,266	4,674	(222,865)	(1,205)	367,022
Issued during the period	1,617	-	-	-	-	-	1,617
Total comprehensive loss for the period	-	-	-	-	(22,659)	(430)	(23,089)
Balance as at 30/06/2012	588,035	3,408	1,266	4,674	(245,524)	(1,635)	345,550
Balance as at 30/06/2012	588,035	3,408	1,266	4,674	(245,524)	(1,635)	345,550
Issued during the period	747	-	-	-	-	-	747
Total comprehensive income/(loss) for the period	-	-	-	-	3,887	(486)	3,401
Balance as at 30/09/2012	588,782	3,408	1,266	4,674	(241,637)	(2,121)	349,698
Balance as at 30/09/2012	588,782	3,408	1,266	4,674	(241,637)	(2,121)	349,698
Issued during the period	173	-	-	-	-	-	173
Transfer of share option reserve*	-	(167)	-	(167)	167	-	-
Total comprehensive income/(loss) for the period	-	-	-	-	6,711	(478)	6,233
Balance as at 31/12/2012	588,955	3,241	1,266	4,507	(234,759)	(2,599)	356,104
Balance as at 31/12/2012	588,955	3,241	1,266	4,507	(234,759)	(2,599)	356,104
Issued during the period	776	-	-	-	-	-	776
Total comprehensive loss for the period	-	-	-	-	(32,337)	(567)	(32,904)
Balance as at 31/03/2013	589,731	3,241	1,266	4,507	(267,096)	(3,166)	323,976

\* This relates to share options that had been lapsed.



**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

In FY2014, the Company issued and allotted 27,992,300 new ordinary shares pursuant to the Company's share incentive plan ("Share Incentive Plan").

As a result, the share capital of the Company increased from 4,198,804,424 shares as at 31 Mar 2013 to 4,226,796,724 shares as at 31 Mar 2014.

Movements in the Company's issued and fully paid up share capital during FY2014 were as follows:

	<u>No. of Shares</u>
As at 1 Apr 2013	4,198,804,424
3 Jun 2013 - Issue of shares pursuant to the Share Incentive Plan	23,192,300
1 Jul 2013 - Issue of shares pursuant to the Share Incentive Plan	1,000,000
18 Nov 2013 - Issue of shares pursuant to the Share Incentive Plan	2,800,000
18 Feb 2014 - Issue of shares pursuant to the Share Incentive Plan	1,000,000
As at 31 Mar 2014	<u>4,226,796,724</u>

Outstanding Options under the Share Option Plan

The Company had previously granted share options pursuant to the Company's Share Option Plan. The number of outstanding options as at the end of the financial period is as follows:-

	<u>31 Mar 2014</u>	<u>31 Mar 2013</u>
Number of outstanding options	5,000,000	5,000,000

The options are not included in the calculation of diluted earnings per share, as they are anti-dilutive in nature.

Share Incentive Plan

As at 31 Mar 2014, the number of shares comprised in contingent awards granted under the Company's Share Incentive Plan which have not been released was 1,400,000 shares (31 Mar 2013 : 9,600,000).

Under the Share Incentive Plan, the final number of shares to be released will depend on the achievement of certain prescribed performance targets (if any) and upon expiry of the prescribed vesting periods (where applicable).

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares, excluding treasury shares, as at 31 Mar 2014 was 4,226,796,724 compared to 4,198,804,424 as at 31 Mar 2013.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not Applicable.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The financial statements presented above have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial year compared with the audited financial statements as at 31 Mar 2013.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group adopted the new/revised Financial Reporting Standard ("FRS") and Interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 Apr 2013. Changes to the Group's accounting policies have been made as required, in accordance with the respective FRS and INT FRS.

The adoption of these new standards, amendments and interpretations has no significant impact to the Group.

**6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

Basic earnings per share ("EPS") is calculated by dividing the net loss after taxation and non-controlling interests attributable to shareholders of approximately US\$33.5 million (31 Mar 2013: loss of approximately US\$44.4 million) by the weighted average number of 4,219,898,007 shares (31 Mar 2013: 4,171,944,181 shares) outstanding during the financial period.

Diluted earnings per share is calculated by dividing the net loss after taxation and non-controlling interests attributable to shareholders of approximately US\$33.5 million (31 Mar 2013: loss of approximately US\$44.4 million) by the weighted average number of shares and the weighted average number of dilutive options, equivalent to 4,219,898,007 shares (31 Mar 2013: 4,171,944,181 shares) outstanding during the financial period.

	<u>Group</u>		<u>Group</u>	
	<u>4Q FY2014</u>	<u>4Q FY2013</u>	<u>12M FY2014</u>	<u>12M FY2013</u>
Basic EPS (in US cents)	(0.501)	(0.775)	(0.794)	(1.064)
Fully diluted EPS (in US cents)	(0.501)	(0.775)	(0.794)	(1.064)

**7. Net assets value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-**

- (a) current financial period reported on; and  
(b) immediately preceding financial year.

	<u>Group</u>		<u>Company</u>	
	<u>31/3/2014</u>	<u>31/3/2013</u>	<u>31/3/2014</u>	<u>31/3/2013</u>
Net Assets Value ("NAV") per share (in US cents)	6.97	7.79	7.11	10.35

NAV per share is calculated by dividing the net assets by the existing issued share capital of 4,226,796,724 shares (31 Mar 2013: 4,198,804,424 shares).

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

**(a) any significant factors that affected the turnover, costs and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

In previous announcements, the Group made disclosures in relation to the legal proceedings commenced by the Group to recover from AGR Well Management Limited ("AGR") the amount of US\$10.2 million due under a drilling contract entered into with AGR in May 2011. The Group has amicably reached a settlement with AGR and the other relevant parties. Pursuant to the settlement, the Group recorded a net impairment of US\$5.5 million.

#### **For Twelve Months Ended 31 Mar 2014 (FY2014)**

##### **Revenue**

For the financial year of 2014, the Group reported revenue of US\$74.6 million. Revenue was attributed to mobilisation and demobilisation fees of US\$1.4 million and 12 months drilling income of US\$73.2 million from drilling operations in offshore Republic of Congo. Revenue for the "Jasper Explorer" in FY2013 of US\$0.4 million was attributed to pro-rated mobilisation fee received from CNOOC.

##### **Profitability**

The Group total gross profit for FY2014 was US\$16.4 million as compared to a gross loss of US\$53 million in FY2013. This was due to an increase in revenue as the rig commenced operations.

Other operating expenses comprise consumables and contract labour cost for the "Jasper Cosmopolitan" in Shekou, China.

Administrative expenses at US\$13.3 million in FY2014 as compared to US\$9 million in FY2013. This increase was mainly due to costs of US\$2.1 million relating to staff costs for the construction of jack-up rigs which were capitalised in FY2013 prior to their sale in 2HFY2013, whereas in FY2014, these staff costs are expensed off. Legal fees on AGR litigation were US\$3.3 million. This was offset by a decrease in performance bonus and new shares issued pursuant to the Company's share incentive plan of US\$0.4 million and fees of US\$0.5 million.

Other expenses for FY2014 totaling US\$12.7 million included repair and maintenance costs for the "Jasper Explorer" of US\$2.7 million, loss on disposal of plant and equipment of US\$0.4 million, amortisation of bond transaction charges of US\$0.8 million, impairment of trade receivable of US\$5.5 million and cost paid to a shipyard of US\$2.9 million. In comparison, other expenses were US\$26.7 million in FY2013, comprising mainly repair and maintenance costs for the "Jasper Explorer" in Spain of US\$20.7 million.

Interest expenses decreased by US\$0.4 million in FY2014 compared to the previous financial year. This decrease in interest expenses was due mainly to the buy-back of Bonds of principal amount of US\$6 million from bondholders in 2QFY2013.

Other income of US\$0.1 million for FY2014 was due to gain on disposal of plant and equipment. The gain made in FY2013 was attributable to gain on disposal of jack-up rigs the "Jasper Adventurer" and "Jasper Beacon".

The Group recorded a net loss for the financial year ended 31 Mar 2014 of US\$33.5 million after accounting for tax provision of US\$2.6 million for prior years. In comparison the net loss was US\$44.4 million in FY2013.

#### Statement of Financial Position

##### Non-current assets

Group non-current assets were US\$412.7 million as at 31 Mar 2014, a decrease of US\$18.6 million from US\$431.3 million as at 31 Mar 2013. This decrease was due mainly to depreciation charged for the "Jasper Explorer" of US\$20.8 million, and net adjustment of US\$3.3 million in equipment cost arising from agreement reached with a consortium of suppliers. This was offset by an increase of US\$5.8 million in the book value of the "Jasper Cosmopolitan", attributed to costs for its conversion into an accommodation vessel.

#### Current assets

Group current assets decreased by US\$18.8 million from US\$77.8 million as at 31 Mar 2013 to US\$59 million as at 31 Mar 2014. This was attributed to a decrease in cash and cash equivalents of US\$29.9 million. This decrease was however, mitigated by a rise in trade and other receivable as a result of the “Jasper Explorer” commencing operation in the Republic of Congo.

#### Equity attributable to equity holders of the Group

Equity attributable to shareholders of the Group decreased from US\$327.1 million as at 31 Mar 2013 to US\$294.8 million as at 31 Mar 2014 due to an increase in negative reserve of US\$33.5 million. Share capital rose by US\$1.2 million as a result of issuance of new shares pursuant to the Share Incentive Plan.

#### Non-current liabilities

Borrowings stood at US\$157.9 million as at 31 Mar 2014 as compared to US\$157.1 million recorded as at 31 Mar 2013.

#### Current Liabilities

Group current liabilities were US\$22.8 million as at 31 Mar 2014, a decrease of US\$5.2 million from US\$28 million as at 31 Mar 2013. The decrease in current liabilities was due mainly to the termination of an equipment supply contract of US\$4.8 million, and full settlement of US\$2.4 million accrued service fees due to the Company’s substantial shareholder, Ashmore Investment Management Limited (“AIML”). This was offset by provision for taxation of US\$2.6 million.

#### **For the Fourth Quarter Ended 31 Mar 2014 (4QFY2014)**

For 4QFY2014, the Group recorded a drilling revenue of US\$17.5 million. Revenue includes demobilisation fee of US\$1 million and drilling income of US\$16.5 million from drilling operations in offshore Republic of Congo.

The Group made a gross profit of US\$1.9 million which is in line with revenue growth.

Other operating expenses comprised mainly of consumables and contract labour cost for “Jasper Cosmopolitan” in Shekou, China.

Administrative expenses at US\$5.1 million in 4QFY2014 as compared to US\$3.2 million in 4QFY2013. This increase was mainly due to legal fees on AGR litigation of US\$2.7 million. This was offset by a decrease in performance bonus and new shares issued pursuant to the Company’s share incentive plan of US\$0.5 million

Other expenses for 4QFY2014 comprised mainly cost of US\$2.3 million paid to the shipyard for the “Jasper Cosmopolitan”, amortisation of bond transaction charges of US\$0.2 million and impairment of trade receivable of US\$5.5 million.

Interest expenses were maintained at US\$5.4 million in 4QFY2014 as compared to 4QFY2013.

Negative other income in 4QFY2014 was attributable to reclassification of write-back of impairment of plant and equipment to other expenses.

At the close of 4QFY2014, the Group recorded a net loss after tax and non-controlling interest of US\$21.1 million.

#### Consolidated Statements of Cash Flows

In FY2014, the Group’s net cash used in operating activities amounted to US\$2.7 million. This comprised operating cash flow before working capital changes of US\$12.9 million, adjusted for net working capital outflow of US\$15.6 million. The net working capital outflow was mainly the result of an increase in trade receivables of US\$12.8 million,

In FY2014, the Group’s net cash used in investing activities amounted to US\$5.5 million which was used to pay for the conversion costs of the accommodation vessel in Shekou, China.

In FY2014, the Group recorded a net cash outflow from financing activities of US\$21.5 million which relates mainly to interest payment on the Bonds.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The Group's performance for fourth quarter results was in line with the sentiments expressed in the Group's announcement results for the previous quarter.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The "Jasper Explorer" had completed drilling the first well (Elephant-1) and second well (Horse-1) under its contract in offshore Republic of Congo in Feb 2014 as the client had decided not to exercise the option well, other contract opportunities are currently being sought.

The "Jasper Cosmopolitan" is expected to be delivered in second half of 2014.

**11. Dividend**

**(a) Current Financial Period Reported On**

None.

**(b) Corresponding Period of the Immediately Preceding Financial Year**

None.

**(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

**12. If no dividend has been declared / recommended, a statement to that effect.**

No final dividend has been recommended.

### 13. Interested Person Transaction (“IPT”)

The Group has been granted a general mandate from shareholders for IPTs entered into between the Group and certain interested persons of the Company on 26 Jul 2013 (“IPT Mandate”). For FY2014, there was no IPT of S\$100,000 or more in value that was conducted under the IPT Mandate.

In FY2014, the Group had paid US\$2.8 million for services rendered by AIML, a substantial shareholder of the Company and its related company, of which \$2.6M had been accrued for in FY2013. The services rendered are IPTs that fall outside the IPT Mandate.

### 14. Persons occupying managerial position

There is no person occupying a managerial position in the Company or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the Company during the period under review.

## PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

### 15. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer’s most recently audited annual financial statements, with comparative information for the immediately preceding year.

#### Business segments

	Offshore Drilling		Others		Consolidated	
	31/3/2014 US\$'000	31/3/2013 US\$'000	31/3/2014 US\$'000	31/3/2013 US\$'000	31/3/2014 US\$'000	31/3/2013 US\$'000
<u>Segment Revenue</u>						
Sales to external customers	74,602	377	-	-	74,602	377
<b>Total revenue</b>	74,602	377	-	-	74,602	377
Segment result	(7,594)	(22,397)	(2,417)	(1,958)	(10,011)	(24,355)
Finance cost (net)	(21,456)	(21,845)	14	39	(21,442)	(21,806)
<b>Loss before tax</b>	<b>(29,050)</b>	<b>(44,242)</b>	<b>(2,403)</b>	<b>(1,919)</b>	<b>(31,453)</b>	<b>(46,161)</b>
Taxation					(2,633)	(198)
Non-controlling interests, net of taxes					563	1,961
<b>Net loss for the year</b>					<b>(33,523)</b>	<b>(44,398)</b>

**16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Please refer to Note 8.

**17. A breakdown of sales.**

<b>Group</b>		
<b>31/3/2014 US\$'000</b>	<b>31/3/2013 US\$'000</b>	<b>Change %</b>
<b>Turnover</b>		
1st half year	-	n/m
2nd half year	377	n/m
<b>Total</b>	<b>377</b>	n/m
<b>Loss before taxation, non-controlling interests and discontinued operations</b>		
1st half year	(19,709)	-33%
2nd half year	(26,452)	-31%
<b>Total</b>	<b>(46,161)</b>	-32%

**18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

**BY ORDER OF THE BOARD**

Ng Joo Khin  
Company Secretary  
29 May 2014