

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

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

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

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

1(a) Consolidated Income Statement

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

NM: not meaningful

Notes:

Adjustments were due to :

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

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

(c) Amortisation of exploration and evaluation assets.

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

BALANCE SHEET

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

Non-Current Liabilities

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

Notes:

Adjustments were due to :

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

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

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

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

(i) Mark to market on oil options

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

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

(l) Foreign currency translation arising.

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

STATEMENT OF COMPREHENSIVE INCOME

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

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

Total comprehensive income/(loss) attributable to:

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

BY ORDER OF THE BOARD OF
RAMBA ENERGY LIMITED

Tan Chong Huat
Non-Executive Chairman
7 May 2018