

2nd Quarter Financial Statement for the Financial Period Ended 30 June 2014

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY RESULTS

The Board of Directors of Ramba Energy Limited wishes to announce the following unaudited operating results of the Group for the second quarter and half year ended 30 June 2014.

1(a) Consolidated income statement

	Group 2nd Quarter		Increase/ (decrease) %	Group 1st Half		Increase/ (decrease) %
	2014 S\$'000	2013 S\$'000		June 2014 S\$'000	June 2013 S\$'000	
Revenue						
Turnover	21,101	18,550	13.8	38,476	36,214	6.2
Other income	645	672	(4.0)	1,424	1,447	(1.6)
Total revenue	<u>21,746</u>	<u>19,222</u>	13.1	<u>39,900</u>	<u>37,661</u>	5.9
Costs and operating expenses						
Service costs and related expenses	(13,445)	(11,934)	12.7	(23,961)	(23,337)	2.7
Royalties payment	(283)	(246)	15.0	(529)	(511)	3.5
Salaries and employee benefits	(8,137)	(6,957)	17.0	(15,628)	(13,610)	14.8
Depreciation and amortisation expenses	(762)	(962)	(20.8)	(1,529)	(1,907)	(19.8)
Finance costs	(142)	(102)	39.2	(274)	(207)	32.4
Other operating expenses	(2,050)	(1,936)	5.9	(3,497)	(3,810)	(8.2)
Total costs and operating expenses	<u>(24,819)</u>	<u>(22,137)</u>	12.1	<u>(45,418)</u>	<u>(43,382)</u>	4.7
Loss before tax for the period	<u>(3,073)</u>	<u>(2,915)</u>	5.4	<u>(5,518)</u>	<u>(5,721)</u>	(3.5)
Income Tax	48	(699)	n.m	126	(1,088)	n.m
Loss for the period	<u>(3,025)</u>	<u>(3,614)</u>	(16.3)	<u>(5,392)</u>	<u>(6,809)</u>	(20.8)
Loss for the period attributable to :						
Owners of the Company	(2,925)	(3,514)	(16.8)	(5,189)	(6,626)	(21.7)
Non-controlling interests	(100)	(100)	0.0	(203)	(183)	10.9
	<u>(3,025)</u>	<u>(3,614)</u>	(16.3)	<u>(5,392)</u>	<u>(6,809)</u>	(20.8)
Loss per share attributable to owners of the Company (cents per share)						
Basic	<u>(0.85)</u>	<u>(1.03)</u>		<u>(1.37)</u>	<u>(2.00)</u>	
Diluted	<u>(0.85)</u>	<u>(1.03)</u>		<u>(1.37)</u>	<u>(2.00)</u>	

n.m not meaningful

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<u>Notes to Group Income Statement</u>	Group		Group	
	2nd Quarter		1st Half	
	2014	2013	2014	2013
	S\$'000	S\$'000	S\$'000	S\$'000
Other income includes:				
Interest income from banks	5	4	9	9
Leasing income	106	94	210	207
Diesel consumed by service partner (including fuel surcharge)	115	134	241	278
Other operating expenses includes:				
Foreign exchange (loss) / gain , net	(289)	101	(491)	85
Legal and other professional fees	(303)	(351)	(617)	(673)
Gain on disposal of property, plant and equipment	-	-	16	-
Impairment of intangible assets	-	-	-	(102)
Impairment of property,plant and equipment	-	-	-	(131)
Rental & utilities - office	(170)	(123)	(339)	(246)
Other administrative & operating expenses	(577)	(745)	(1,200)	(1,319)
Write back of doubtful receivables	-	-	504	-
Finance costs comprises:				
Interest on borrowings	(84)	(23)	(146)	(69)
Finance lease charges	(58)	(79)	(128)	(138)

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1b(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.

Balance Sheets as at	Group		Company	
	30.6.14 S\$'000	31.12.13 S\$'000	30.6.14 S\$'000	31.12.13 S\$'000
Non-current assets				
Oil and gas properties	24,243	24,804	-	-
Property, plant and equipment	7,629	9,702	393	445
Intangible assets	3,208	2,205	194	234
Investment in exploration and evaluation assets	39,414	37,023	-	-
Investment in marketable securities	3	3	3	3
Investments in subsidiaries	-	-	3,098	2,848
Loans to subsidiaries	-	-	38,991	38,992
Leased assets	6	17	-	-
Other receivables	6,006	5,732	-	-
Deferred tax assets	91	91	-	-
Fixed deposits	1,342	1,316	-	-
	81,942	80,893	42,679	42,522
Current assets				
Trade receivables	16,646	14,606	-	-
Other receivables	4,433	3,947	35,764	28,841
Prepaid operating expenses	1,589	933	206	100
Inventories	168	121	-	-
Leased assets	24	25	-	-
Cash and bank balances	5,014	6,483	73	366
	27,874	26,115	36,043	29,307
Current liabilities				
Trade payables	20,271	17,341	-	-
Other payables	12,184	11,255	2,610	1,243
Provisions	321	266	-	-
Finance lease liabilities	1,580	1,531	76	71
Term loans	98	685	-	-
Other loan	7,043	3,625	7,043	3,625
Income tax payable	101	98	-	-
	41,598	34,801	9,729	4,939
Net current (liabilities) / assets	(13,724)	(8,686)	26,314	24,368
Non-current liabilities				
Other payables	2,817	2,871	-	-
Provisions	930	808	39	39
Abandonment and site restoration liabilities	703	623	-	-
Finance lease liabilities	3,225	2,893	219	252
Deferred tax liabilities	6,179	6,352	-	-
	13,854	13,547	258	291
Net assets	54,364	58,660	68,735	66,599
Equity attributable to the owners of the Company				
Share capital	85,080	84,263	85,080	84,263
Treasury shares	(935)	(935)	(935)	(935)
Other reserves	3,014	2,746	5,725	5,190
Accumulated losses	(31,861)	(26,672)	(21,135)	(21,919)
	55,298	59,402	68,735	66,599
Non-controlling interests	(934)	(742)	-	-
Total equity	54,364	58,660	68,735	66,599

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

	30 Jun 14 S\$'000	31 Dec 13 S\$'000
1 Amount repayable in one year or less, or on demand		
Secured	1,580	1,531
Unsecured	7,141	4,310
2 Amount repayable after one year		
Secured	3,225	2,893
Total	11,946	8,734

The unsecured term loan are guaranteed by the Company. Certain subsidiaries of the Company pledged their transport equipment as security for facilities granted by financial institutions.

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STATEMENT OF COMPREHENSIVE INCOME

	Group		Group	
	2Q2014 S\$'000	2Q2013 S\$'000	1H2014 S\$'000	1H2013 S\$'000
Loss, net of tax for the period	(3,025)	(3,614)	(5,392)	(6,809)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss :				
Foreign currency translation	(649)	745	(256)	1,562
Total comprehensive loss for the period	(3,674)	(2,869)	(5,648)	(5,247)
Total comprehensive loss attributable to :				
- Owners of the Company	(3,581)	(2,758)	(5,456)	(5,047)
- Non controlling interests	(93)	(111)	(192)	(200)
	(3,674)	(2,869)	(5,648)	(5,247)

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

	Group		Group For the period ended	
	2Q 2014 S\$'000	2Q 2013 S\$'000	30.6.14 S\$'000	30.6.13 S\$'000
Cash flows from operating activities :				
Loss before income tax for the period	(3,073)	(2,915)	(5,518)	(5,721)
Adjustments for :		-		
Depreciation and amortisation expenses	762	962	1,529	1,907
Unrealised exchange loss	401	-	401	-
Gain on disposal of property, plant and equipment	-	-	(16)	-
Impairment of intangible assets	-	-	-	102
Impairment of property, plant and equipment	-	-	-	131
Share based payment	708	648	1,355	1,004
Write back for doubtful receivables	-	-	(504)	-
Finance costs	142	102	274	207
Interest income from banks	(5)	(4)	(9)	(9)
Foreign exchange translation adjustments	(295)	82	75	67
Operating cash flows before working capital changes	(1,360)	(1,125)	(2,413)	(2,312)
Changes in working capital				
Trade receivables	(1,461)	1,000	(1,536)	1,275
Other receivables	555	404	(749)	(445)
Prepaid operating expenses	(183)	(396)	(656)	(132)
Inventories	(15)	(160)	(48)	(194)
Trade payables	1,755	(607)	2,926	(1,145)
Other payables and provisions	1,000	1,828	1,001	(1,546)
Cash generated from / (used in) operations	291	944	(1,475)	(4,499)
Interest income received	5	4	9	9
Income tax (paid) / received	(1)	(3)	38	67
Finance costs paid	(62)	(91)	(138)	(196)
Net cash flows generated from / (used in) operating activities	233	854	(1,566)	(4,619)
Cash flows from investing activities :				
Proceeds from disposal of property, plant and equipment	-	4	1,942	4
Purchase of property, plant and equipment and oil and gas properties	(345)	(681)	(923)	(803)
Acquisition of intangible assets	(73)	(3)	(1,194)	(11)
Acquisition of exploration & evaluation assets	(821)	(2,926)	(2,867)	(5,847)
Net cash flows used in investing activities	(1,239)	(3,606)	(3,042)	(6,657)
Cash flows from financing activities :				
Net proceeds from issuance of new shares via rights issue	-	-	-	18,435
Proceeds from options exercised	-	92	-	140
Proceeds from other loan	1,118	-	3,418	-
Repayment of term loans	(285)	(984)	(578)	(1,590)
(Repayment of) / proceeds from finance lease	(458)	(419)	379	89
Decrease / (Increase) in fixed deposits pledged	85	75	(26)	(10)
Net cash flows generated from / (used in) financing activities	460	(1,236)	3,193	17,064
Net (decrease)/ increase in cash and cash equivalents	(546)	(3,988)	(1,415)	5,788
Effect of exchange rate changes on cash and cash equivalents	(38)	52	(54)	104
Cash and cash equivalents at beginning of period	5,598	15,080	6,483	5,252
Cash and cash equivalents at end of period	Note A	Note A	Note A	Note A
	5,014	11,144	5,014	11,144
Note A				
Cash on hand and at bank	5,014	11,144	5,014	11,144
Fixed deposits	1,342	1,316	1,342	1,316
Cash and deposits	6,356	12,460	6,356	12,460
Less : Restricted cash classified as non-current assets	(1,342)	(1,316)	(1,342)	(1,316)
Cash and cash equivalents	5,014	11,144	5,014	11,144

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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.

Group	Attributable to owners of the Company											Non controlling interests S\$'000
	Total Equity 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	
Opening balance as at 1 January 2014	58,660	59,402	84,263	(935)	(26,672)	2,746	2,560	100	(2,892)	2,630	348	(742)
1Q 2014												
Loss for the period	(2,367)	(2,264)	-	-	(2,264)	-	-	-	-	-	-	(103)
<u>Other comprehensive income</u>												
Exchange differences on translating foreign operations	393	389	-	-	-	389	-	-	389	-	-	4
Total comprehensive (loss) / income for the period	(1,974)	(1,875)	-	-	(2,264)	389	-	-	389	-	-	(99)
<u>Contributions by and distributions to owners</u>												
Issuance of shares pursuant to RGPSP	-	-	820	-	-	(820)	(820)	-	-	-	-	-
Grant of equity settled share based payment to employees	647	647	-	-	-	647	647	-	-	-	-	-
Total contributions by and distributions to owners	647	647	820	-	-	(173)	(173)	-	-	-	-	-
Total transactions with owners in their capacity as owners	647	647	820	-	-	(173)	(173)	-	-	-	-	-
Closing balance as at 31 March 2014	57,333	58,174	85,083	(935)	(28,936)	2,962	2,387	100	(2,503)	2,630	348	(841)
2Q 2014												
Loss for the period	(3,025)	(2,925)	-	-	(2,925)	-	-	-	-	-	-	(100)
<u>Other comprehensive income</u>												
Exchange differences on translating foreign operations	(649)	(656)	-	-	-	(656)	-	-	(656)	-	-	7
Total comprehensive loss for the period	(3,674)	(3,581)	-	-	(2,925)	(656)	-	-	(656)	-	-	(93)
<u>Contributions by and distributions to owners</u>												
Share issuance expenses	(3)	(3)	(3)	-	-	-	-	-	-	-	-	-
Grant of equity settled share based payment to employees	708	708	-	-	-	708	708	-	-	-	-	-
Total contributions by and distributions to owners	705	705	(3)	-	-	708	708	-	-	-	-	-
Total transactions with owners in their capacity as owners	705	705	(3)	-	-	708	708	-	-	-	-	-
Closing balance as at 30 June 2014	54,364	55,298	85,080	(935)	(31,861)	3,014	3,095	100	(3,159)	2,630	348	(934)

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.

Group	Attributable to owners of the Company										
	Total Equity 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	Foreign currency translation reserve S\$'000	Gain on reissuance of treasury shares S\$'000	Capital reserve S\$'000	Non controlling interests S\$'000
Opening balance as at 1 January 2013	50,853	51,198	64,256	(1,746)	(11,404)	92	1,807	(4,809)	2,746	348	(345)
1Q 2013											
Loss for the period	(3,195)	(3,112)	-	-	(3,112)	-	-	-	-	-	(83)
Other comprehensive income											
Exchange differences on translating foreign operations	817	823	-	-	-	823	-	823	-	-	(6)
Total comprehensive loss for the period	(2,378)	(2,289)	-	-	(3,112)	823	-	823	-	-	(89)
Contributions by and distributions to owners											
Issuance of shares arising from rights issues	19,366	19,366	19,366	-	-	-	-	-	-	-	-
Grant of equity settled share based payment to employee	347	347	-	-	-	347	347	-	-	-	-
Issuance of shares pursuant to RGPSP / RGSOS	55	55	145	61	8	(159)	(149)	-	(10)	-	-
Share issuance expenses	(881)	(881)	(881)	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	18,887	18,887	18,630	61	8	188	198	-	(10)	-	-
Total transactions with owners in their capacity as owners	18,887	18,887	18,630	61	8	188	198	-	(10)	-	-
Closing balance as at 31 March 2013	67,362	67,796	82,886	(1,685)	(14,508)	1,103	2,005	(3,986)	2,736	348	(434)
2Q 2013											
Loss for the period	(3,614)	(3,514)	-	-	(3,514)	-	-	-	-	-	(100)
Other comprehensive income											
Exchange differences on translating foreign operations	745	756	-	-	-	756	-	756	-	-	(11)
Total comprehensive (loss) / income for the period	(2,869)	(2,758)	-	-	(3,514)	756	-	756	-	-	(111)
Contributions by and distributions to owners											
Grant of equity settled share based payment to employees	648	648	-	-	-	648	648	-	-	-	-
Issuance of shares pursuant to RGPSP / RGSOS	98	98	65	80	-	(47)	(47)	-	-	-	-
Share issuance expenses	(21)	(21)	(21)	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	725	725	44	80	-	601	601	-	-	-	-
Total transactions with owners in their capacity as owners	725	725	44	80	-	601	601	-	-	-	-
Closing balance as at 30 June 2013	65,218	65,763	82,930	(1,605)	(18,022)	2,460	2,606	(3,230)	2,736	348	(545)

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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.

Company	Equity total S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserve total S\$'000	Share based payment reserve S\$'000	Gain on reissuance of treasury shares S\$'000
Opening balance as at 1 January 2014	66,599	84,263	(935)	(21,919)	5,190	2,560	2,630
1Q 2014							
Profit for the period	2,320	-	-	2,320	-	-	-
Total comprehensive income for the period	2,320	-	-	2,320	-	-	-
<u>Contributions by and distributions to owners</u>							
Issuance of shares pursuant to RGPSP	-	820	-	-	(820)	(820)	-
Grant of equity settled share based payment to employees	647	-	-	-	647	647	-
Total transactions with owners in their capacity as owners	647	820	-	-	(173)	(173)	-
					-		
Balance as at 31 March 2014	69,566	85,083	(935)	(19,599)	5,017	2,387	2,630
2Q 2014							
Loss for the period	(1,536)	-	-	(1,536)	-	-	-
Total comprehensive loss for the period	(1,536)	-	-	(1,536)	-	-	-
<u>Contributions by and distributions to owners</u>							
Share issuance expenses	(3)	(3)	-	-	-	-	-
Grant of equity settled share based payment to employees	708	-	-	-	708	708	-
Total transactions with owners in their capacity as owners	705	(3)	-	-	708	708	-
Balance as at 30 June 2014	68,735	85,080	(935)	(21,135)	5,725	3,095	2,630

Ramba Energy Limited

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.

Company	Equity total S\$'000	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Other reserve total S\$'000	Share based payment reserve S\$'000	Gain on reissuance of treasury shares S\$'000
Opening balance as at 1 January 2013	53,157	64,256	(1,746)	(13,906)	4,553	1,807	2,746
1Q 2013							
Loss for the period	(1,327)	-	-	(1,327)	-	-	-
Total comprehensive income for the period	(1,327)	-	-	(1,327)	-	-	-
<u>Contributions by and distributions to owners</u>							
Issuance of shares arising from rights issues	19,366	19,366	-	-	-	-	-
Grant of equity settled share based payment to employees	347	-	-	-	347	347	-
Issuance of shares pursuant to RGPSP / RGSOS	55	145	61	8	(159)	(149)	(10)
Share issuance expenses	(881)	(881)	-	-	-	-	-
Total transactions with owners in their capacity as owners	18,887	18,630	61	8	188	198	(10)
Closing balance as at 31 March 2013	70,717	82,886	(1,685)	(15,225)	4,741	2,005	2,736
2Q 2013							
Loss for the period	(1,374)	-	-	(1,374)	-	-	-
Total comprehensive loss for the period	(1,374)	-	-	(1,374)	-	-	-
<u>Contributions by and distributions to owners</u>							
Grant of equity settled share based payment to employees	648	-	-	-	648	648	-
Issuance of shares pursuant to RGPSP/RGSOS	98	65	80	-	(47)	(47)	-
Share issuance expenses	(21)	(21)	-	-	-	-	-
Total transactions with owners in their capacity as owners	725	44	80	-	601	601	-
Balance as at 30 June 2013	70,068	82,930	(1,605)	(16,599)	5,342	2,606	2,736

RAMBA ENERGY LIMITED

- 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.**

On 26 February 2014, the Company granted 2,783,000 and 1,867,000 share awards (other than controlling shareholders and their associates) and share options at the exercise price of S\$0.50 under the Ramba Group Performance Share Plan ("RGPS") and Ramba Group Stock Options Scheme ("RGSOS") respectively. The share awards will be released over three years from the grant date in equal one-third proportion of the total share awards granted.

In 1Q 2014, the Company issued 1,306,338 under the RGPS by way of new shares.

	As at 30-Jun-14	As at 31-Dec-13
The number of shares that may be issued on RGPS and exercise of share options outstanding at the end of the period	20,261,714	16,918,052

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

	As at 30-Jun-14	As at 31-Dec-13
Total number of ordinary shares	127,379,250	127,379,250
Treasury shares	(11,148,000)	(11,148,000)
Release of treasury shares for utilisation pursuant to share placement	9,340,785	9,340,785
Subtotal	(1,807,215)	(1,807,215)
New issuance of shares	211,134,966	211,134,966
Share issuance under the Performance Share Plan & Option Scheme	8,240,591	6,934,253
Total number of ordinary shares after treasury shares	344,947,592	343,641,254

- 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 year reported on.**

The movement of treasury shares is as follow

As at 1 January 2014	1,807,215
Re-issuance of treasury shares	-
As at 30 June 2014	1,807,215

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

The figures have not been audited nor reviewed.

- 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 reporting period compared with those of the audited financial statements as at 31 December 2013.

RAMBA ENERGY LIMITED

- 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.**

On 1 January 2014, the Group has adopted all the applicable new and revised Financial Reporting Standards ("FRS") and Interpretations of Financial Reporting Standards ("INT FRS") promulgated by the Accounting Standards Council that are effective for annual period beginning on or after 1 January 2014. The adoption of the new accounting standards have no effect on the financial results of the Group and Company.

- 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.**

Earning per share (EPS)	Group		Group	
	3 months ended 30 June 14	3 months ended 30 June 13	6 months ended 30 June 14	6 months ended 30 June 13
Based on the weighted average number of shares (cents)				
- net loss attributable to shareholders	(0.85)	(1.03)	(1.37)	(2.00)
Weighted average number of shares	344,947,592	339,606,211	377,954,327	331,541,698
On a fully diluted basis				
- net loss attributable to shareholders	(0.85)	(1.03)	(1.37)	(2.00)
Weighted average number of shares	344,947,592	339,606,211	377,954,327	331,541,698

For the period ending 30 June 2014, diluted earnings per share is calculated on the same basis as basic earnings per share as there are no dilutive potential ordinary shares as at 30 June 2014.

- 7 Net assets value (for the issuer and group) per ordinary share based on issued share capital at the end of the :**
(a) current financial period reported on : and
(b) immediately preceding financial year

Net Assets Value (NAV)	Group		Company	
	30 June 14	31 Dec 13	30 June 14	31 Dec 13
No of ordinary shares	344,947,592	343,641,254	344,947,592	343,641,254
NAV (In cents)	16.03	17.29	19.93	19.38

- 8 A review of the performance of the group, to the extend 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, (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

Group Income Review

2Q 2014 versus 2Q 2013

In 2Q 2014, the Group recorded a revenue of S\$21.7 million and net loss after tax attributable to shareholders of S\$2.9 million.

Total revenue was higher by S\$2.5 million mainly due to the offshore project by Indonesia logistics.

Total costs and operating expenses were higher by approximately S\$2.7 million in 2Q 2014 mainly due to the following :

- (a) Higher service costs by S\$1.5 million mainly due to service cost incurred for the offshore project and ;
 (b) Higher manpower cost S\$1.2 million due to increase headcount for new logistics contract

Income tax was lower than the corresponding period by S\$0.7 million due to deferred tax adjustment.

1H 2014 versus 1H 2013

In 1H 2014, the Group recorded a revenue of S\$39.9 million and net loss after tax attributable to shareholders of S\$5.2 million.

Total revenue was higher by S\$2.2 million mainly due to the offshore project by Indonesia logistics.

Total costs and operating expenses were higher by approximately S\$2.0 million in 1H 2014 mainly due to higher staff cost S\$2.0 million as a result of increased headcount for new logistics contract which started in 2H 2013 and February 2014.

Income tax was lower than the corresponding period by S\$1.2 million due to deferred tax adjustment.

RAMBA ENERGY LIMITED

8 Notes to Balance Sheet

Group

Non-current assets increased by S\$1.0 million to S\$81.9 million mainly due to :

- (a) increase by S\$2.3 million for drilling and exploration activities carried out in the Lemang & West Jambi blocks ;
- (b) purchase of software S\$1.0 million for the logistics business;
- (c) offset by S\$2.1 million mainly due to disposal of ISO tanks for fleet optimisation.

Current liabilities increased by S\$6.8 million to S\$41.6 million. The increase are mainly due to external loan S\$3.4 million and trade payables S\$2.9 million.

The Group had a net current liabilities position as at June 2014 due to higher short term borrowings and trade payables.

Notes to Cashflow Statement

Group

2Q 2014

For the period 2Q 2014 , cash generated from financing and operating activities of \$0.7 million was used to fund the investment activities (exploration & evaluation assets) of \$1.2 million, thereby reducing cash outlay by \$0.5 million.

1H 2014

For the period 1H 2014 , cash generated from financing activities of S\$3.2 million was used to fund the investment activities (exploration & evaluation assets) of \$3 million and operating activities of \$1.6 million, resulting in a net cash outlay of S\$1.4 million.

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

Not applicable

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.**

Oil and Gas Business

The Group has evolved from a primarily logistics business into a diversified company with distinct segments ; (a) oil and gas , (b) logistics and (c) commercial real estate. The Group is confident that oil and gas will remain the mainstay of the Group's business, given the importance of the oil and gas industry and how it plays a key role in driving the global economy. Nevertheless, the exploration and production of oil and gas is a high capital intensive business which uses highly complex processes and state of art technology. Given the Group's discoveries and positive test results at the Lemang block, the Group shall work towards development of the Akatara-Selong cluster and subsequently commercial production. As the Group still has oil and gas fields which are in the exploration phase, the Group can still expect to continue incurring high capital costs to fund the necessary exploration and future development activities.

Logistics Business

The Management remains committed and focused on new business growth and driving productivity. The business landscape in Singapore represents our most challenging area with the manpower shortage and general cost inflation being key issues.

11 **Dividend**

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on ? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year ? No

(c) Date Payable - Not Applicable

(d) Books closure date - Not Applicable

RAMBA ENERGY LIMITED

12 If no dividend has been declared (recommended), a statement to that effect.

No dividend for period ended 30 June 2014 is recommended.

13 If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

No IPT general mandate has been obtained from the shareholders.

14 Please disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purpose, a breakdown with specific details on how the proceeds have been applied must be disclosed.

NA

15 Negative Assurance

Pursuant to SGX Listing Rule 705(5), we confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the above interim financial results to be false or misleading in any material respect.

**BY ORDER OF THE BOARD
RAMBA ENERGY LIMITED**

Tan Chong Huat
Non Executive Chairman of the Board
14 August 2014