



Financial Statements and Dividend Announcement

**For Nine Months and Third Quarter
Ended 31 December 2014**

JASPER INVESTMENTS LIMITED

(Company Registration No. 198700983H)

UNAUDITED RESULTS FOR NINE MONTHS AND THIRD QUARTER ENDED 31 DECEMBER 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 NINE MONTHS AND THIRD QUARTER ENDED 31 DECEMBER 2014

	Group		Group	
	3Q FY2015	3Q FY2014	9M FY2015	9M FY2014
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	-	24,627	-	57,117
Cost of sales	(3,508)	(9,807)	(16,771)	(27,120)
Depreciation for drilling rig	(3,118)	(5,218)	(13,553)	(15,502)
Gross (loss)/profit	(6,626)	9,602	(30,324)	14,495
Other income	1	5	1,206	2,146
Administrative expenses	(1,919)	(2,576)	(7,470)	(8,223)
Other operating expenses	(2)	(31)	(707)	(31)
Other expenses	(3,067)	(1,044)	(247,515)	(4,860)
Finance costs	(5,366)	(5,366)	(18,246)	(16,099)
(Loss)/profit before taxation	(16,979)	590	(303,056)	(12,572)
Taxation	2,714	-	2,695	(21)
(Loss)/profit after taxation representing total comprehensive (loss)/income for the period	(14,265)	590	(300,361)	(12,593)
Attributable to:				
Equity holders of the Company	(13,952)	574	(294,647)	(12,380)
Non-controlling interests	(313)	16	(5,714)	(213)
	(14,265)	590	(300,361)	(12,593)

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.

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

	Group		Group	
	3Q FY2015	3Q FY2014	9M FY2015	9M FY2014
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Charging:</u>				
Depreciation of plant and equipment	(3,155)	(5,245)	(13,662)	(15,578)
Foreign exchange	14	(22)	(99)	(240)
Amortisation of bond transaction charges	-	(200)	(2,147)	(583)
Impairment charge on plant and equipment*	(2,251)	-	(229,834)	-
Write-off of deposit	-	-	(13,000)	-
Repair and maintenance on drilling rig	-	(68)	-	(2,559)
Loss on disposal of plant and equipment	<u>(818)</u>	<u>(124)</u>	<u>(818)</u>	<u>(465)</u>
<u>Crediting:</u>				
Interest income	1	4	7	21
Write-back of impairment of plant and equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,009</u>

* Evaluation of indications of impairment disclosed in sections 4 and 8.

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 DECEMBER 2014

	Group		Company	
	31/12/2014	31/3/2014	31/12/2014	31/3/2014
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Non-Current Assets</u>				
Plant and equipment	168,379	412,738	-	-
Investment in subsidiaries	-	-	-	-
	168,379	412,738	-	-
<u>Current Assets</u>				
Trade and other receivables	527	24,734	61	32
Amount due from subsidiaries	-	-	10,972	364,898
Cash and bank balances	2,569	34,313	429	4,296
	3,096	59,047	11,462	369,226
Total Assets	171,475	471,785	11,462	369,226
<u>Capital and Reserves</u>				
Share capital	590,928	590,883	590,928	590,883
Reserves	(590,759)	(296,112)	(591,154)	(290,331)
	169	294,771	(226)	300,552
Non-controlling interests	(9,443)	(3,729)	-	-
Total equity	(9,274)	291,042	(226)	300,552
<u>Non-Current Liabilities</u>				
Borrowings	-	157,913	-	-
	-	157,913	-	-
<u>Current Liabilities</u>				
Trade and other payables	20,680	20,151	695	179
Amount due to subsidiaries	-	-	10,993	67,165
Borrowings*	160,060	-	-	-
Provision for taxation	9	2,679	-	1,330
	180,749	22,830	11,688	68,674
Total liabilities	180,749	180,743	11,688	68,674
Total Equity and Liabilities	171,475	471,785	11,462	369,226

* Further details of borrowings are disclosed in section 1(b)(ii).

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 31/12/2014</u>		<u>As at 31/3/2014</u>	
<u>US\$'000</u>		<u>US\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
160,060	-	-	-

Amount repayable after one year

<u>As at 31/12/2014</u>		<u>As at 31/3/2014</u>	
<u>US\$'000</u>		<u>US\$'000</u>	
<u>Secured</u>	<u>Unsecured</u>	<u>Secured</u>	<u>Unsecured</u>
-	-	157,913	-

Notes:-

Borrowings – secured as at 31 Dec 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 granted by certain subsidiaries
- an assignment of drilling contracts with duration of more than twelve months

The Group 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.

As described in the Company's announcements dated 19 and 20 November 2014, Nordic Trustee on behalf of bondholders issued a letter dated 13 November 2014 which declared the bonds to be in default and due for immediate repayment and made a demand on Jasper Explorer PLC in the aggregate amount of the outstanding principal amount under the bonds plus additional amounts accrued and payable under the bonds.

Notwithstanding the foregoing, the Trustee had expressed through its legal adviser that, *inter alia*, although the debt under the Bonds had been formally accelerated pursuant to the Acceleration Letter, the Trustee is not seeking immediate repayment of the amount due under the Bonds (subject to further notice).

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 NINE MONTHS AND THIRD QUARTER ENDED 31 DECEMBER 2014**

	Group		Group	
	3Q FY2015	3Q FY2014	9M FY2015	9M FY2014
	US\$'000	US\$'000	US\$'000	US\$'000
<u>Cash flows from operating activities</u>				
(Loss)/profit before taxation	(16,979)	590	(303,056)	(12,572)
Adjustments for :				
Depreciation of plant and equipment	3,155	5,245	13,662	15,578
Interest income	(1)	(4)	(7)	(21)
Interest expenses	5,366	5,366	16,099	16,099
Amortisation of bond transaction charges	-	200	2,147	583
Impairment charge on plant and equipment	2,251	-	229,834	-
Gain on disposal of investment	-	-	-	(39)
Loss on disposal of plant and equipment	818	124	818	465
Loss on deconsolidation of subsidiaries (Note B)	13	-	14	-
Write back of impairment in value of plant and equipment	-	-	-	(2,009)
Write-off of deposit	-	-	13,000	-
Issuance of share under shares incentive plan	-	103	45	1,113
Operating (loss)/gain before working capital changes	(5,377)	11,624	(27,444)	19,197
Changes in working capital				
-decrease/(increase) in operating receivables	504	(5,633)	11,195	(22,398)
-increase/(decrease) in operating payables	192	(1,307)	(3,226)	(93)
Cash (used in)/generated from operations	(4,681)	4,684	(19,475)	(3,294)
Income tax received/(paid)	43	-	24	(30)
Net cash (used in)/generated from operating activities	(4,638)	4,684	(19,451)	(3,324)
<u>Cash flows from investing activities</u>				
Interest received	1	4	7	21
Acquisition of plant and equipment (Note A)	10	(970)	(481)	(5,498)
Proceeds from disposal of investment	-	-	-	76
Proceeds from disposal of plant and equipment	451	224	527	298
Net cash outflow from deconsolidation of subsidiaries (Note B)	-	-	(20)	-
Net cash generated from/(used in) investing activities	462	(742)	33	(5,103)
<u>Cash flows from financing activities</u>				
Interest paid	(1,654)	(10,935)	(12,387)	(21,668)
Net cash used in financing activities	(1,654)	(10,935)	(12,387)	(21,668)
Net decrease in cash and cash equivalents	(5,830)	(6,993)	(31,805)	(30,095)
Cash and cash equivalents at the beginning	8,385	40,884	34,313	64,213
Effect of foreign exchange rate changes	14	(8)	61	(235)
Cash and cash equivalents at the end	2,569	33,883	2,569	33,883

(A) Purchase of plant and equipment

In 9MFY2015, the Group acquired for cash plant and equipment with an aggregate cost of approximately US\$0.5 million (9MFY2014 - US\$5.5 million).

(B) Deconsolidation of subsidiaries

The assets disposed of and liabilities discharged were as follows:-

Cash and bank balances
Payables

Loss on deconsolidation
Sale proceeds
Cash and bank balances disposed of
Cash outflow from deconsolidation of subsidiaries

Group		Group	
3QFY2015 US\$'000	3QFY2014 US\$'000	9M FY2015 US\$'000	9M FY2014 US\$'000
-	-	20	-
13	-	(6)	-
13	-	14	-
(13)	-	(14)	-
-	-	-	-
-	-	(20)	-
-	-	(20)	-

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 DECEMBER 2014

Company	Share Capital US\$'000	Other Reserve US\$'000	Accumulated Losses US\$'000	Grand Total US\$'000
<u>9 months ended 31 December 2014</u>				
Balance as at 01/04/2014	590,883	168	(290,499)	300,552
Issued during the period	45	-	-	45
Total comprehensive income for the period	-	-	58,263 *	58,263
Balance as at 30/06/2014	590,928	168	(232,236)	358,860
Balance as at 30/06/2014	590,928	168	(232,236)	358,860
Reclassification of reserve	-	(168)	168	-
Total comprehensive loss for the period	-	-	(357,388) **	(357,388)
Balance as at 30/09/2014	590,928	-	(589,456)	1,472
Balance as at 30/09/2014	590,928	-	(589,456)	1,472
Issued during the period	-	-	-	-
Total comprehensive loss for the period	-	-	(1,698)	(1,698)
Balance as at 31/12/2014	590,928	-	(591,154)	(226)
<u>9 months ended 31 December 2013</u>				
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

* In 1QFY2015, the Company recognised a return of investment of US\$58.6 million arising from the deemed disposal of two subsidiaries, Jasper Adventurer Pte Ltd and Jasper Beacon Pte Ltd.

** In 2QFY2015, the Company assessed the recoverability of the amounts due from subsidiaries and made an impairment loss of US\$356.9 million.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 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
Group							
9 months ended 31 December 2014							
Balance as at 01/04/2014	590,883	3,241	1,266	4,507	(300,619)	(3,729)	291,042
Issued during the period	45	-	-	-	-	-	45
Reclassification of reserve	-	-	(1,266)	(1,266)	1,266	-	-
Total comprehensive loss for the period	-	-	-	-	(25,657)	(491)	(26,148)
Balance as at 30/06/2014	590,928	3,241	-	3,241	(325,010)	(4,220)	264,939
Balance as at 30/06/2014	590,928	3,241	-	3,241	(325,010)	(4,220)	264,939
Reclassification of reserve	-	(168)	-	(168)	168	-	-
Total comprehensive loss for the period	-	-	-	-	(255,038)	(4,910)	(259,948)
Balance as at 30/09/2014	590,928	3,073	-	3,073	(579,880)	(9,130)	4,991
Balance as at 30/09/2014	590,928	3,073	-	3,073	(579,880)	(9,130)	4,991
Total comprehensive loss for the period	-	-	-	-	(13,952)	(313)	(14,265)
Balance as at 31/12/2014	590,928	3,073	-	3,073	(593,832)	(9,443)	(9,274)
9 months ended 31 December 2013							
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

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.

During the financial period ended 31 Dec 2014, the Company's issued and paid up share capital increased by 1,400,000 new ordinary shares as shown in the following table:-

	<u>No. of Shares</u>
As at 1 Apr 2014	4,226,796,724
30 Jun 2014 - Issue of shares pursuant to the Share Incentive Plan	1,400,000
As at 31 Dec 2014	<u>4,228,196,724</u>

Outstanding Options under the Share Option Plan

The Company had previously granted share options pursuant to the Company's Share Option Plan. As at 31 Dec 2014, there are no outstanding options as shown in the following table:-

	<u>31 Dec 2014</u>
Balance as at 1 April	5,000,000
Number of option shares forfeited	<u>(5,000,000)</u>
Balance as at 31 Dec	<u>-</u>

Share Incentive Plan

As at 31 Dec 2014, there are no outstanding shares to be issued under the Company's Share Incentive Plan (31 Mar 2014: 1,400,000 shares). The Company does not intend to make further grant under the Share Incentive Plan.

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 Dec 2014 was 4,228,196,724 compared to 4,226,796,724 as at 31 Mar 2014.

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.

As described in the 1HFY2015 announcement, the carrying amount of "Jasper Explorer" was reduced to a recoverable amount based on the valuation given by the professional valuer and adjusted for the outstanding balance due under the Bonds should the bondholders choose to exercise their rights under the terms of the Bonds.

For "Jasper Cosmopolitan", the carrying amount (based on the estimated net sale proceeds receivable by the Group from a sale of the accommodation vessel) is now fully impaired as the envisaged sale did not occur and the vessel remains unsold and Yiulian Shipyard may exercise its contractual right to take the vessel. Please refer to the Company's announcements dated 19 and 20 November 2014 for further details.

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 2014. 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 for the financial period ended 31 Dec 2014 of approximately US\$294.6 million (31 Dec 2013: loss of approximately US\$12.4 million) by the weighted average number of 4,227,730,057 shares (31 Dec 2013: 4,217,820,657 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 for the financial period ended 31 Dec 2014 of approximately US\$294.6 million (31 Dec 2013: loss of approximately US\$12.4 million) by the weighted average number of shares and the weighted average number of dilutive options, equivalent to 4,227,730,057 shares (31 Dec 2013: 4,217,820,657 shares) outstanding during the financial period.

	<u>Group</u>		<u>Group</u>	
	<u>3Q FY2015</u>	<u>3Q FY2014</u>	<u>9M FY2015</u>	<u>9M FY2014</u>
Basic EPS (in US cents)	(0.330)	0.014	(6.969)	(0.294)
Fully diluted EPS (in US cents)	(0.330)	0.014	(6.969)	(0.294)

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>31/12/2014</u>	<u>31/3/2014</u>	<u>31/12/2014</u>	<u>31/3/2014</u>
Net Assets Value ("NAV") per share (in US cents)	0.004	6.97	(0.005)	7.11

NAV per share is calculated by dividing the net assets by the existing issued share capital of 4,228,196,724 shares (31 Mar 2014: 4,226,796,724 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.

For Nine Months Ended 31 Dec 2014 (9MFY2015)

Revenue and expenses

For the financial period ended 31 Dec 2014, the Group did not record any drilling revenue as compared to US\$57.1 million comprising mobilisation fees and drilling income from the "Jasper Explorer" recorded in 9MFY2014 from drilling operations in offshore Republic of Congo. The Group is still actively seeking drilling contract opportunities for the rig.

Impacted by absence of revenue, the Group suffered a gross loss of US\$30.3 million in 9MFY2015, attributed primarily to operating costs for the "Jasper Explorer".

Other operating expenses comprised consumables and contract labour cost for the "Jasper Cosmopolitan" for the period Apr 2014 to Nov 2014 in Shekou, China.

Administrative expenses decreased by US\$0.8 million in 9MFY2015 as compared to the previous financial period. The decrease in administrative cost was mainly due to legal fees on AGR litigation of US\$1 million recorded in 9MFY2014.

Other expenses of US\$247.5 million were recorded in 9MFY2015, comprising mainly an impairment charge of US\$229.8 million for the "Jasper Explorer" and the "Jasper Cosmopolitan", US\$3.8 million holding cost paid to shipyard for "Jasper Cosmopolitan", write-off of US\$13 million deposit paid to shipyard and loss on disposal of plant and equipment of US\$0.82 million.

Finance costs increased by US\$2.1 million in 9MFY2015 as compared to the previous financial period. The increase in finance cost was due to bond transaction fees being fully amortised as a result of the breach of financial obligations.

Other income comprised mainly of an insurance payout on damage to drilling equipment on "Jasper Explorer" of US\$0.97 million and a reversal of an accrued expense of US\$0.2 million no longer required.

The Group turned in a net loss after tax and non-controlling interest of US\$294.6 million in 9MFY2015 against a net loss of US\$12.4 million in 9MFY2014.

Statement of Financial Position

Non-current assets

Group non-current assets of US\$168.4 million at 31 Dec 2014, were US\$244.3 million lower than the previous year end. This is largely attributable to recording impairment loss of aggregate US\$229.8 million on "Jasper Explorer" and "Jasper Cosmopolitan", depreciation of US\$13.7 million charged for "Jasper Explorer" and disposal of equipment US\$1.3 million. This was offset by an increase of US\$0.5 million in the book value of the "Jasper Explorer" attributed to improvement made to the power monitor system.

Further to an impairment loss of US\$227.6 million made in 1HFY2015, another US\$2.3 million is recognized in 3QFY2015 to fully impair the "Jasper Cosmopolitan" as described in note 4 above.

Current assets

Group current assets of US\$3.1 million at 31 Dec 2014, were US\$56 million lower than the previous year. Decrease in current assets primarily relates to lower cash and bank balances of US\$31.7 million incurred for the warm stacking of the “Jasper Explorer” and trade receivables of US\$24.2 million. Trade receivables decreased as a result of payment received from CNOOC for “Jasper Explorer” drilling operations in offshore Republic of Congo for the month of February 2014 and write-off of deposit paid to shipyard.

Equity attributable to equity holders of the Group

Group shareholders’ funds decreased from US\$294.8 million at 31 Mar 2014 to US\$0.2 million at 31 Dec 2014. The decrease was mainly due to an increase in negative reserve of US\$294.6 million.

Non-current liabilities and current liabilities

The Group had reclassified the US\$165 million Senior Secured Bonds to current liabilities as a result of the breach of financial obligations, notwithstanding a standstill agreement reached with the bondholders. At 31 Mar 2014, the amount was recorded at US\$157.9 million.

Group current liabilities of US\$180.7 million at 31 Dec 2014, were US\$157.9 million higher than the previous year. The increase in current liabilities was mainly due to the reclassification of US\$160.1 million Senior Secured Bonds from Non-Current Liabilities.

For the Third Quarter Ended 31 Dec 2014 (3QFY2015)

For the quarter ended 31 Dec 2014, no revenue was recorded by the Group due to non-employment of “Jasper Explorer”.

The Group recorded a gross loss of US\$6.6 million in 3QFY2015 attributed to operating costs of the “Jasper Explorer”.

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

Administrative expenses stood at US\$1.9 million in 3QFY2015 as compared to US\$2.6 million in 3QFY2014. Included in 3QFY2014 were legal fees on AGR litigation.

Other expenses for 3QFY2015 comprised mainly of impairment of accommodation vessel totaling US\$2.3 million, and loss on disposal of plant and equipment US\$0.8 million.

Finance costs maintained at US\$5.4 million as compared to the same period last year.

Other income comprised mainly of interest income.

Group net loss for 3QFY2015 after tax and non-controlling interest was US\$14 million.

Consolidated Statements of Cash Flows

Net cash outflow in operating activities for the nine months was US\$19.5 million. This comprised operating cash flow before working capital changes of US\$27.4 million, adjusted for net working capital inflow of US\$8.0 million. The net working capital inflow was mainly the result of a decrease in trade receivables of US\$11.2 million.

Net cash inflow in investing activities for the nine months amounted to US\$0.03 million mainly due to improvement made to the power monitor system of “Jasper Explorer” of US\$0.5 million offset by proceeds from disposal of plant and equipments of US\$0.53 million.

Net cash used in financing activities for the nine months was US\$12.4 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.

No forecast or prospect statement has been disclosed to shareholders.

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.

As described in the Company's announcement dated 22 January 2015, the Company has entered into a framework agreement for the consensual transfer of the Company's entire ownership in all of its subsidiaries other than Jasper Adventurer Pte Ltd and Jasper Beacon Pte Ltd. The Company's application to the SGX-ST for a waiver from having to comply strictly with Rule 1014 of the Listing Manual and to seek the SGX-ST's concurrence that the Company can proceed to obtain shareholders' approval to ratify the proposed transfer after completion is still pending. As at the date of this announcement, the SGX-ST has not yet issued its decision on the application.

Based on management's cash flow projections and assuming that, *inter alia*, no revenue is recorded by the Group, it is anticipated that the Group will experience tight cash flow for the remainder of FY2015 and management will continue with its programme of strict costs control.

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 interim 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 25 Jul 2014 ("IPT Mandate"). For 9MY2015, there was no IPT of S\$100,000 or more in value that was conducted under the IPT Mandate.

In 9MFY2015, the Group had incurred US\$431,000 for services rendered by AIML, a substantial shareholder of the Company and its related company. 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.

15. Negative confirmation

The Board of Directors confirms that, to the best of its knowledge, nothing has come to its attention which may render the third quarter financial results as at 31 Dec 2014 to be false or misleading, in any material respect.

BY ORDER OF THE BOARD

Ng Joo Khin
Company Secretary
13 February 2015