Issuer: Ramba Energy Limited

Security: Ramba Energy Limited

Meeting details:
Date: 24 April 2017
Time: 14:00H
Venue: 11 Bedok North Avenue 4, #05-01 Richland Business Centre, Singapore 489949

Company Description

Ramba Energy Limited, an investment holding company, operates as an oil and gas exploration and production company in Indonesia. The company operates through Oil and Gas, Logistics, and Rental segments. It holds a 70% interest in the Jatirarangon block located in West Java; a 100% interest in the West Jambi block located in Sumatra; and a 31% interest in the Lemang block located in Sumatra. The company also provides logistics services, including inbound and outbound transportation, distribution management, seaport and airport cargo handling, warehousing, container haulage, and marine and project logistics services in Singapore and Southeast Asian region, as well as logistics, transportation, and freight forwarding services for the chemical industry. It has a fleet of approximately 400 trucks and trailers. In addition, Ramba Energy Limited is involved in the property rental and real estate management activities. The company was formerly known as RichLand Group Limited and changed its name to Ramba Energy Limited in January 2009. Ramba Energy Limited was founded in 1992 and is based in Singapore.
(Source: http://www.sgx.com/wps/portal/sgxweb/home/company_disclosure/stockfacts?code=R14)

Q1. Since the approval of the Plan of Development (POD) for the Akatara Field in August 2015, the group was further issued with the Lease Permit in November 2016 and oil production at the Akatara Field commenced on 16 November 2016.

The initial peak production output at the Akatara field is said to be approximately 350 barrels of oil per day (page 4 – CEO's Message).

a) **Since the commencement of production, has the group optimised its operations to produce at or near 350 barrels of oil per day?**

b) **What is the profit margin per barrel?**

c) **Are there plans to increase the production output at the Akatara field?**

d) **Can management also help shareholders understand the current "sliding-scale future contingent payments" arrangement that the group has with Mandala Energy?**

e) **What are the other drilling activities planned for the Lemang block in 2017?**

Also, can shareholders get some visibility into the level of production at the mature Jatirarangon Block?

Q2. In May 2016, the group had proposed a renounceable non-underwritten rights cum warrants issue of up to 101,063,327 new ordinary shares in the capital of the Company at an issue price of S$0.20 for each Rights Share with up to 101,063,327 free detachable warrants on the basis of one Rights Share for every five existing ordinary shares in the capital of the Company.

At the close of the Rights cum Warrants issue on 9 Septmeber, the company received valid acceptances of 9% and excess applications of 49%, of which more than 80% of the overall funds raised were from Mr Aditya Wisnuwardana Seky Soeryadjaya (Chief Executive Officer and Executive Director).

Of the net proceeds amounting to S$10.7 million, S$9.1 million was used up by 5 October 2016 just a month later and the group announced that the net proceeds of S$10.7 million has been fully utilised by 3 January 2017.

The group had also carried out two private placements in 2015 to raise $21.2 million in 2015 prior to the rights cum warrants issue in 2016.

a) **Can management update shareholders on the group's cash flow management, in particular how soon will it achieve positive cash flow from operating activities?**

b) **What are the projected capital expenditures for the group in 2017? How is the group going to fund these investments?**

Q3. In January 2017, the Indonesia government announced a new production-sharing contract (PSC) regime that will see PSC contractor being allocated a higher percentage share of gross production under new PSCs in exchange for removal of the existing cost recovery mechanism. With the removal of the cost recovery mechanism, PSC contractors will also be entitled to higher base production splits of 43% for oil and 48% for gas.

a) **How has the change in the production-sharing contract regime affected the group, both operationally and financially?**

b) **Has this disrupted the group's exploration and production plans?**