



Investments Limited

ANNUAL REPORT 2013





Investments Limited

Our Story

Jasper Investments Limited is a company listed on the SGX-ST and it principally invests in the offshore oil and gas drilling and services sector. Jasper's principal subsidiary, Jasper Offshore, owns and operates oil rigs for offshore drilling which are contracted out to oil and gas exploration and production companies.

Message from Non-Executive Chairman

Dear shareholders,

The past year has seen a period of leadership change in your company. My appointment to the Board as Non-Executive Chairman took effect on 10 September 2012. I replaced Steven Simpson who retired in July. The former Executive Director, Geoffrey Yeoh, resigned in October 2012 and was succeeded by Paul Carsten Pedersen as Chief Executive Officer in January this year. We also welcome Ng Chee Keong as an Independent Director.

Paul brings many years of management experience in the drilling and floating production storage offloading (FPSO) industry, including 29 years with the Maersk Group.

Since Paul came onboard, he has been focused on resolving legacy issues and improving the financials of the company. There is much to do and as you know the Group has suffered losses for the past three consecutive years including a net attributable loss to equity holders of the company of US\$44.4 million in the last financial year ended 31 March 2013. I am confident that under Paul's leadership and with his significant experience in the oil & gas industry, we should see better days ahead.

We are aware of the challenges that may be posed to a single rig company, and will work towards mitigating those issues and ensuring that we are minimally exposed to them. This includes being able to target our customers, who are mainly medium to small oil and gas companies, as well as being flexible on contract durations.

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We are focused on maintaining our sterling safety record, and the team is committed to ensure that we are able to continue to demonstrate our ability to provide quality services without compromising on the crucial safety requirements. Management is sparing no effort in inspiring a safety culture throughout the Group and they are working to develop an ISO compliant management system.

It is important for management to establish a track record of good performance for the drilling rig *Jasper Explorer* quickly; trust from clients has to be earned. Having secured a contract with CNOOC Congo SA in January to drill two wells offshore in the Republic of Congo, we are now on course to improve our credibility and market position.

We are also exploring several options in relation to the Group's other asset, a conversion of an accommodation vessel which should be ready in the 4th quarter of 2013. There is a strong market demand currently for such accommodation vessels and this affords a number of value enhancing opportunities, including potentially cash raising through a sale.

I would like to take this opportunity to thank the past management team for their work over the previous years. I would also like to express my appreciation to the current team for their resilience and passion to continue to contribute to Jasper's success amidst a challenging environment.

Last but not least, I would like to commend the Directors, management, partners, clients, and all stakeholders for your continued support over these years.

John Sunderland

Message from Executive Director & Chief Executive Officer

Since my appointment in January 2013 as Chief Executive Officer and later in May as Executive Director to the Board, my integration and performance has been helped by the competent and dedicated team of people at Jasper Investments and following the leadership change, the Group has undergone subsequent strengthening of the organisational functions. I am glad to report that we have made a smooth transition and are starting on a "clean slate".

The challenges of running a single rig company are daunting, not least because the overheads cost will be incurred even if the rig should be without contract. It is a limited value proposition we have for customers and suppliers and it is a challenge to attract talented people to work on the rig.

We thus look forward to the redeployment of the *Jasper Explorer* after a year of repair in Spain. The Group signed the contract for drilling two wells in the Republic of Congo with CNOOC Congo SA in January. We aim to demonstrate the rig's drilling capabilities and establish a good performance record that will put us in good stead to acquire more work in Africa and especially with CNOOC.

During the year under review, the conversion of the *Jasper Cosmopolitan* into an accommodation vessel or floatel in Shekou, southern China, proceeded on schedule and we expect to be ready to take delivery by the 4th quarter of 2013.

As we move forward, we will continue to build a track record for performance and equipment reliability. To ensure a relentless drive towards success, we have in the Board and management agreed that the following 6 values will form the foundation for the Company's activities and be imposed on all employees.

- **Our People** The employees on all levels are creating value and are the most important drive for success so the Company shall always be a safe and attractive place to work.
- **Teamwork** The business is too complex for individual performance. We must work together to avoid failure and celebrate success.

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- **Transparency** All that is done must be documented, communicated and be in compliance.
- **Efficiency** We strive to do the right things at the right time.
- **Flexibility** We are open to meeting our customers' demands.
- **Trust** Our interactions with all stakeholders must demonstrate that we are a reliable partner.

We are particularly pleased that in line with an industry where safety is a key focus area, we have maintained an accident free performance. We believe that safety is of paramount importance and is fundamental to our existence as a drilling contractor. Our zero accident rate demonstrates that we can work safely and that we have a professional crew that pays equal attention to personal safety, process safety and environmental protection.

During the year under review, we divested two jack-up rigs which were under construction with Keppel FELS. The price of such rigs had risen sharply due to the buoyant offshore market and the transactions put the Company in a stronger financial position with surplus funds currently supporting working capital.

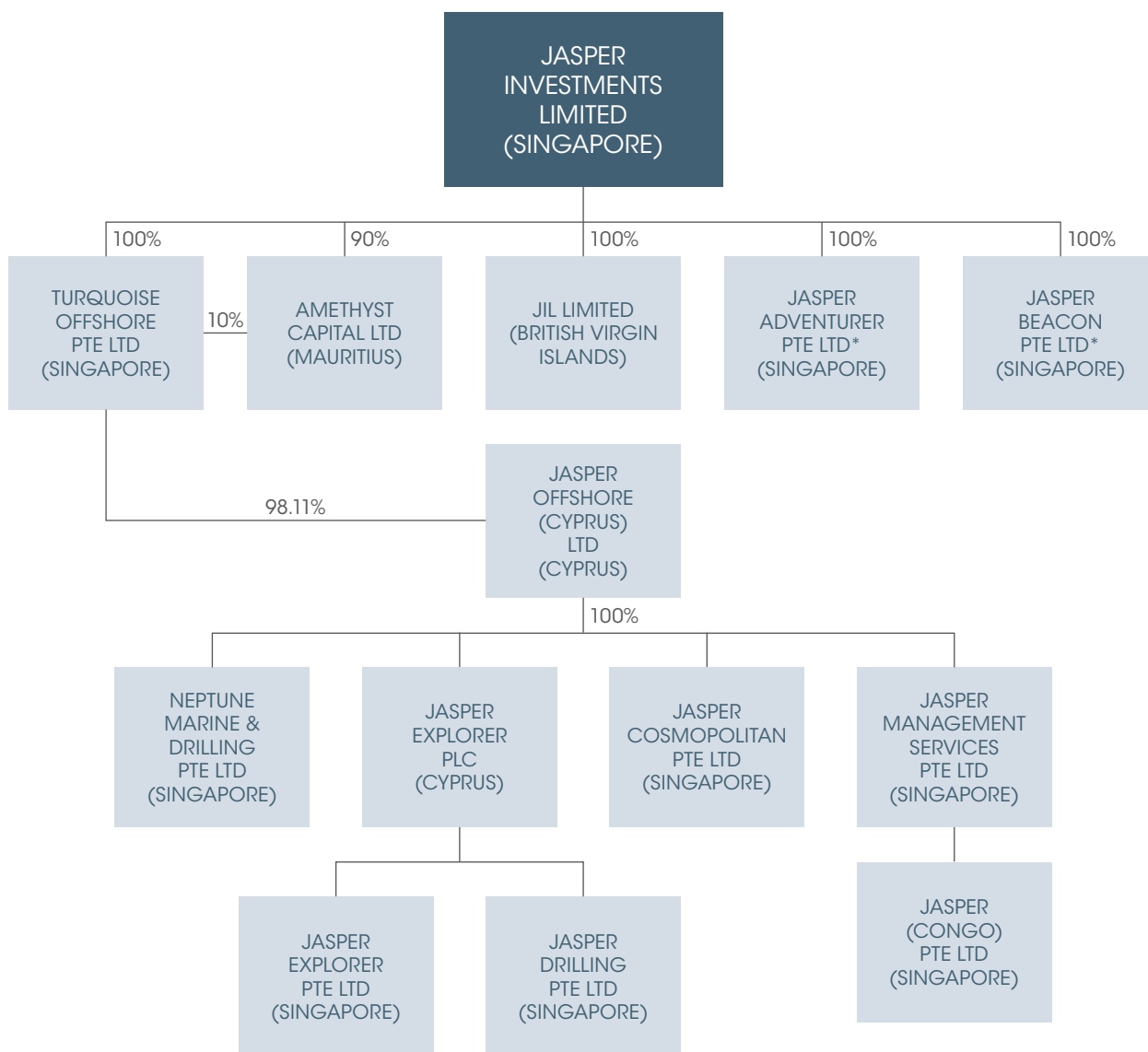
The Group's performance in FY2013 was affected by the *Jasper Explorer* undergoing repairs in Spain for about a year before it started drilling operations with CNOOC. As a result, the Group recorded revenue of US\$0.4 million compared with US\$26.2 million in the previous year. Net loss attributable to shareholders for the financial year ended 31 March 2013 was US\$44.4 million.

As we start the new financial year, we are expecting the time in Spain will have paid off in making the rig reliable as the day rate expectations for drilling rigs like the *Jasper Explorer* are reflecting strong demand for such rigs. With crude oil prices above US\$80 a barrel and improving economics, oil and gas companies are expected to continue their spending on exploration and production drilling. This should augur well for the *Jasper Explorer* as we seek opportunities in the coming months.

Finally, being a newcomer, I wish to thank the board of directors for their insightful counsel and invaluable support and the management team and staff for their continued commitment and hard work. I am also grateful to our shareholders for their patience and continued support as we focus on turning the company into a successful drilling contractor.

Paul Carsten Pedersen

Corporate Structure



*To be closed

Corporate Information

BOARD OF DIRECTORS

John Sunderland (Chairman)
Paul Carsten Pedersen (Executive Director & CEO)
David Chia
Phillip Jeffrey Saile
Tan Yeelong
Ng Chee Keong

AUDIT COMMITTEE

David Chia (Chairman)
Ng Chee Keong
John Sunderland

NOMINATING COMMITTEE

Ng Chee Keong (Chairman)
David Chia
Tan Yeelong

REMUNERATION COMMITTEE

Ng Chee Keong (Chairman)
David Chia
John Sunderland

COMPANY SECRETARIES

Ng Joo Khin
Lee Mee Kium

REGISTRAR

Boardroom Corporate & Advisory Services Pte Ltd
50 Raffles Place #32-01
Singapore Land Tower
Singapore 048623

AUDITORS

Foo Kon Tan Grant Thornton LLP
Certified Public Accountants
47 Hill Street #05-01
Singapore Chinese Chamber of Commerce
& Industry Building
Singapore 179365
Partner in charge: Mr Ong Soo Ann (w.e.f. 31 March 2010)

REGISTERED OFFICE

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HarbourFront Tower One
Singapore 098633
Tel: +65 6303 5500
Fax: +65 6557 2313
Email: corp@jasperinvests.com
Website: www.jasperinvests.com
Company Registration No: 198700983H

Board of Directors

JOHN SUNDERLAND

Chairman

Mr John Sunderland was appointed to the board of Jasper as Non-Executive Non-Independent Chairman in September 2012.

Mr Sunderland spent 21 years in investment and wholesale banking, including ANZ Investment Bank where he was chief executive, in charge of integrating its global investment banking activities. Prior to that he undertook a number of senior executive roles at Barclays Bank including CEO of the Merchant Banking Division in Asia, and Co-Head of Investment Banking activities in the USA in addition to a number of roles in Europe.

Mr Sunderland was a Partner of PricewaterhouseCoopers LLP, UK from 2005 to 2010 and a Partner of Integrum, UK from 1999 to 2005. He has sat on the boards of several public and private sector companies.

He holds a Master of Arts (Honours) from Cambridge University and is an Associate of the Chartered Institute of Bankers (UK).

PAUL CARSTEN PEDERSEN

Executive Director

Mr Pedersen was appointed Chief Executive Officer of the Company in January 2013 and in May 2013, assumed the role of Executive Director. He has an oversight role on the operations of the Group.

Prior to joining the Group, Mr Pedersen spent many years with the Maersk Group where he held various positions including Group Senior Vice President, Chief Commercial Officer and Deputy CEO with Maersk Contractors and also CEO with Maersk FPSO and Maersk LNG. After leaving Maersk in 2010, Mr Pedersen joined Ocean Rig UDW Inc as Acting CEO. His last appointment before he joined the Group was Head of Commercial in the Offshore Business Unit of Fincantieri Group SpA. He is also currently the Chief Executive Officer of Rubicon Offshore International Pte. Ltd.

Mr Pedersen holds a Master in Science in Mechanical Engineering from the Technical University of Denmark and has undergone business programs at Columbia University and Wharton Business School.

DAVID CHIA

Lead Independent Director

Mr David Chia was appointed as an Independent Director in May 2008. He is currently a director of AXIA Equity Pte. Ltd., a firm which provides business and financial advisory services to companies in Singapore and the region.

Since 1990, he has been actively involved in the private equity and venture capital industry in Asia as a director of an investment advisory firm engaged in direct investments in the region. From 1980 to 1990, Mr Chia was engaged in providing audit and financial consulting services in Singapore and Hong Kong with an international accounting firm.

Mr Chia is also an independent director on the board of BH Global Corporation Limited and Popular Holdings Limited. He holds a Bachelor of Accountancy (Honours) from the National University of Singapore and is a Fellow Chartered Accountant of Singapore.

PHILLIP JEFFREY SAILE
Non-Executive Director

Mr Phillip Jeffrey Saile was appointed as an Independent Director in May 2010 and assumed the appointment of Chairman, Jasper Offshore in April 2011. He was re-designated a Non-Executive Non-Independent Director on 31 March 2013.

Mr Saile brings with him over three decades of experience in the offshore oil and gas industry. He started his career in the offshore drilling company SEDCO in 1974. Over 13 years at the firm, he held many international postings and assignments in the Middle East, Europe, West Africa and Singapore.

He later joined ENSCO in 1987 to become one of its founding members. He was Senior Vice President of Operations and had oversight responsibility for the North and South America and Deepwater business units before he retired in 2009. During his 22-year career at the company, Mr Saile held many other senior executive positions and was involved in multiple acquisitions that were responsible for the firm's dramatic growth. These roles included Senior Vice President of Business Development, Engineering and SHE, member of the office of the President, Chief Operating Officer and President of ENSCO-Offshore Company.

Mr Saile holds a Bachelor of Business Administration from the University of Mississippi, USA.

TAN YEELONG
Non-Executive Director

Ms Tan Yeelong was appointed to the board as a Non-Executive Non-Independent Director of Jasper in July 2010.

Ms Tan was an associate and subsequently a partner for 22 years in Freshfields Bruckhaus Deringer, a leading international law firm. Her career at the firm included stints in Singapore, Hong Kong and London. Ms Tan's core experience encompassed specialised finance and banking, mergers and acquisitions, and strategic investments. She has worked on a wide range of transactions, including in energy and infrastructure, for clients such as Ashmore, Deutsche Bank, Petrochina, Temasek Holdings and Vitol.

Ms Tan holds an LLB degree (Honours, Second Upper) from the National University of Singapore. She is a solicitor in England and Wales and is also a member of the New York State Bar.

NG CHEE KEONG
Non-Executive Director

Mr Ng joined the board of Jasper as an Independent Director in September 2012.

Mr Ng spent many years with the Port of Singapore Authority ("PSA") having joined them in 1971. While with PSA, he has held various positions in the organisation including Group President & CEO, President & CEO and Global Head of Technical and Operations Development. He retired from PSA in 2005.

Mr Ng also sits on the boards of Jurong Port Pte Ltd, the Centre for Maritime Studies (National University of Singapore) and Mencast Holdings Ltd, a company listed on the SGX-ST. He holds a Bachelor of Social Science (Economics Honours, Second Upper) from the University of Singapore.

Mr Ng was awarded a Public Administration Medal (Gold) by the Government of Singapore in 1997.

Senior Management

IVAN CORBETTA **Operations Manager**

Mr Ivan Corbetta joined the Group in April 2013 and oversees the Group's offshore drilling operations. He brings with him more than 22 years of work experience in the oil & gas industry. Prior to joining the Group, he was with Saipem for 21 years holding various positions, with the last held position being Operations Manager.

Mr Corbetta also has experience in project management, having supervised new rig buildings in shipyards as well as operationally. He has strong management experience and extensive experience in the offshore drilling industry having worked in various locations in Africa, Egypt, Libya and Brazil.

He holds a Diploma in Electronics Technology from the Industrial Technical Institute in Milan.

JENS RASMUSSEN **Project Manager**

Mr Jens Rasmussen joined the Group in February 2011 to oversee the construction of the Group's two jack-up rigs in Keppel FELS Limited. He now manages the conversion of the accommodation rig in Shekou, PRC. He has 30 years of experience in the marine and offshore industry which included executive management positions at Swedish offshore engineering firm GVAC. His expertise includes development, design, construction and application of deep water oil and gas facilities such as FPSOs and production semi-submersibles, subsea equipment, drillships, drilling semi-submersibles and jack-ups rigs, accommodation and construction support vessels.

Mr Rasmussen holds a Master of Science degree from Technical University of Denmark.

PAUL EZEKIEL **Marketing & Contracts Manager**

Mr Paul Ezekiel joined Jasper in April 2010 as Marketing and Contracts Manager. Prior to entering the offshore industry, he spent 10 years in the Merchant Navy and obtained a Master Mariner Class 1 Certificate in 1995. That same year, he commenced his on-shore career as a Commercial Executive, marketing offshore support vessels for Seacor Marine Asia Pte Ltd. In 2004 he joined ENSCO and served as Account Manager. Between 2008 and 2010, he worked as Marketing and Contracts Manager for Premium Drilling and later COSL Drilling Pan Pacific. Over the years Paul has built up extensive experience in operations, marketing, contracting and business development.

He holds a MBA from the University of Hull, United Kingdom.

TAN CHOON SZE **Chief Financial Officer**

Mr Tan Choon Sze joined Jasper in April 2008 as Chief Financial Officer. He has over 21 years of financial experience, many of which were in the oil & gas industry. He was previously the Financial Controller of FMC Technologies Singapore Pte Ltd, and also held key financial management positions in Pfizer Asia Pacific, Chevron Oronite and Hewlett-Packard.

Mr Tan holds a Bachelor of Accountancy (Honours) from the National University of Singapore and a Master of Business Administration from Macquarie University, Australia. He is a Certified Public Accountant registered with the Institute of Certified Public Accountants in Singapore.

LEE MEE KIUM
Head, Corporate Development

Ms Lee Mee Kium joined the Group in 1996, and manages the Group's investments & divestments, corporate finance activities and corporate secretarial department. She has extensive experience in mergers & acquisitions and financing activities and was also involved in the restructuring of and streamlining of various companies. Prior to joining the Group, she was with United Overseas Bank Limited, holding various positions in the Corporate Banking and Corporate Finance Divisions. Her last held position was Vice President, Corporate Finance.

She is also the Company Secretary.

Ms Lee holds a Bachelor of Arts degree from the National University of Singapore.

ANTHONY MCCORMACK
QHSE Manager

Mr Anthony McCormack joined Jasper in January 2012, and oversees the QHSE of the Group. He has almost 18 years of experience in all aspects of quality, health, safety & environment in offshore drilling, covering development of safety programmes, training, audit, inspection and implementation. Prior to joining the Group, he spent about 10 years of his career working in various operations of Pride International.

He holds a Bachelor of Science in Environmental Management & post graduate diploma in occupational health and safety from Edith Cowan University in Australia.

PAULINE SIM
Group Manager, HR & Administration

Ms Pauline Sim joined the Group in 1995 and oversees all aspects of human resources, development policies and practices, and administration. She has over 22 years of experience in human resources management with multi-national corporations in the construction and service sectors and in recent years in the oil and gas industry.

Ms Sim is a Professional Member of Singapore Human Resources Institute. She was conferred the Public Service Medal in 2002 in recognition of her services to the community. She is a Family Life Champion in the community and has been a Deputy Registrar of Marriages since 2005.



Operational & Financial Review

OVERVIEW

The oil and gas industry continued to be resilient amidst the challenging global economic conditions. Against this backdrop, the Group had entered into a contract with CNOOC Congo SA (“CNOOC”) on 21 January 2013 to deploy the drilling rig the *Jasper Explorer* to drill two wells with an option to drill another well offshore in the Republic of Congo. The *Jasper Explorer* had commenced drilling operations on 25 April 2013. The Company continues to have discussions with potential clients for follow-on work.

Since the signing of the construction contracts for the two jack-up rigs in December 2010 and April 2011 with Keppel FELS Limited (“KFELS”), the demand and price of such rigs have increased substantially due to the buoyant offshore market. Taking this good opportunity, the Company’s wholly-owned subsidiaries entered into

an agreement with Integradora De Servicios Petroleros Ore Negro, S.A.P.I de CV in August 2012 to sell the rights and obligations under the agreements for the construction of the two jack-up rigs with KFELS. The sale was completed in September 2012 and November 2012 respectively. Upon completion of the transactions, the Company is in a strong net cash position and surplus funds have been supporting working capital requirements.

GENERAL DEVELOPMENTS

In the previous financial year, the Group had awarded a US\$73.6 million contract to a subsidiary of the China Merchants Industry Holding Group to retrofit and convert its semi-submersible hull, the *Jasper Cosmopolitan*, formerly known as *Neptune Finder*, into an accommodation vessel or floatel. The vessel is expected to be completed in the 4th quarter of 2013.



The Group had entered into a contract with CNOOC Congo SA (“CNOOC”) on 21 January 2013 to deploy the drilling rig the *Jasper Explorer* to drill two wells with an option to drill another well offshore in the Republic of Congo. The *Jasper Explorer* had commenced drilling operations on 25 April 2013.

FINANCIAL PERFORMANCE

The Group's performance in FY2013 was affected by the absence of drilling income as the *Jasper Explorer* underwent repairs in Algeciras, Spain for about a year. This resulted in a gross loss of US\$53 million due mainly to operating cost of US\$30.7 million for the *Jasper Explorer*, a depreciation charge of US\$20.6 million and inventories of US\$2 million expensed as consumables as a result of a change in accounting treatment. The *Jasper Explorer* commenced drilling operations in the Republic of Congo with CNOOC in March 2013.

In FY2013, the Group recorded revenue of US\$0.4 million as compared with US\$26.2 million in FY2012. This revenue was attributable to the pro-rated mobilisation fee received from CNOOC for the *Jasper Explorer*. Higher expenses were recorded as a result of repair and maintenance costs of US\$20.7 million for the *Jasper Explorer* while it was in Spain. These losses were however partially offset by a gain on disposal of the jack-up rigs, the *Jasper Adventurer* and *Jasper Beacon* of US\$63.7 million.

Net loss attributable to the equity holders for the financial year ended 31 March 2013 was US\$44.4 million.



FINANCIAL POSITION OF THE GROUP

Group total assets amounted to US\$509.1 million, which was US\$45.7 million lower than the previous year. Fixed assets decreased as a result of the disposal of the *Jasper Adventurer* and *Jasper Beacon*, which had a combined net book value of US\$79.1 million, and the depreciation charged for the *Jasper Explorer* of US\$20.6 million. This decrease was partially offset by an increase of US\$4 million in the book value of the *Jasper Cosmopolitan*. Cash and bank balances increased by US\$43.9 million resulting from the disposal of rig newbuildings.

Group shareholders' fund decreased to US\$327.1 million from US\$368.2 million in the previous year. The decline was attributed mainly to retained losses for the year of US\$44.4 million which was offset by an increase in share capital of US\$3.3 million as a result of the issuance of new shares pursuant to the Company's Share Incentive Plan.

The Group's total liabilities stood at US\$185.1 million as at 31 March 2013 as compared to US\$187.8 million recorded as at 31 March 2012.

Borrowings decreased from US\$161.4 million as at 31 March 2012 to US\$157.1 million as at 31 March 2013 due to the re-purchase of US\$6 million Senior Bonds issued by a Group company. This decrease was offset by an increase in trade and other payables of approximately US\$1.6 million in the financial year under review due mainly to a US\$2.4 million accrual for service fees to be paid to Ashmore Investment Management Limited, a substantial shareholder of the Company.

Corporate Governance Report

INTRODUCTION

This report sets out the Group's corporate governance practices for the financial year ended 31 March 2013, with specific reference to the Code of Corporate Governance 2005 (the "Code") issued by the Singapore Corporate Governance Committee. In May 2012, the Code was revised and pursuant to the revisions, the Monetary Authority of Singapore issued a revised code of corporate governance on 2 May 2012 (the "2012 Code"), which supercedes and replaces the Code. The provisions of the 2012 Code are only applicable to annual reports relating to financial years commencing from 1 November 2012 (save for certain provisions which should be made at annual general meetings following the end of financial years commencing on or after 1 May 2016). The 2012 Code is therefore not applicable to the Company for the current financial year ended 31 March 2013, to which this Annual Report relates.

The Board of Directors (the "Board") is pleased to confirm that for the financial year ended 31 March 2013, the Company had generally adhered to the guidelines as outlined in the Code. Where there are deviations from the Code, the reasons for the deviations are explained accordingly.

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the success of the company. The Board works with Management to achieve this and the management remains accountable to the Board.

The Board is elected by the shareholders to supervise the management of the business and affairs of the Company. Its main responsibility is to ensure the viability of the Company and to ensure that it is managed in the best interest of the shareholders as a whole while taking into account the interests of other stakeholders.

The Board is responsible for setting the overall strategy, direction and long-term goals of the Group. It reviews major investment and divestment proposals, risk management policies and practices, financial objectives and key business initiatives. Through committees, it also reviews the financial performance of the Group and recommends the framework of remuneration for the Board and key executives, approves nomination of Directors and appointments to the various Board committees. In addition, the Board also assumes the responsibility for the Company's compliance with the guidelines on corporate governance.

Matters which are specifically reserved for the Board's approval are significant acquisitions and disposals of assets, corporate or financial restructuring, share issuance, dividend payments or other returns to shareholders, approval of accounts and results announcements, matters involving conflicts of interest with a substantial shareholder or a director and any major decision which may have an impact on the Group. Other matters are delegated to Board committees and the Chief Executive Officer ("CEO") for review and decision making. The Board committees and Management are accountable to the Board.

To assist in the execution of its responsibilities, the Board has established four Board committees, namely the Audit Committee ("AC"), Nominating Committee ("NC"), Remuneration Committee ("RC") and the Executive Committee ("EXCO"). The Board delegates specific responsibilities to these Committees which operate within specified terms of reference setting out the scope of its duties and responsibilities and procedures governing the manner in which it is to operate and how decisions are to be taken. The Committees have the authority to examine particular issues and report to the Board with their recommendations.

The main purpose of the EXCO is to provide regular oversight of the management of the business and to provide advice where required. The EXCO currently comprises four Directors, namely Mr John Sunderland (Non Independent Non-Executive Director), Mr David Chia (Independent Director), Mr Phillip Jeffrey Saile (Non Independent Non-Executive Director) and Mr Paul Carsten Pedersen (Executive Director). The Chairman of the EXCO is Mr John Sunderland. Specific descriptions of the Audit, Nominating and Remuneration Committees are set out further in this Report.

Formal Board meetings are held quarterly to review the Group's business and financial performance, policies and procedures, acquisitions and disposals and to approve the release of results to the Singapore Exchange Securities Trading Limited ("SGX-ST"). In addition to the scheduled meetings, ad-hoc meetings are convened as and when required for particular purposes. Board members may participate in meetings by telephone or video conference which is permitted under the Company's Articles of Association. All Board meetings are attended by at least one Company Secretary who is responsible for ensuring that Board procedures are followed.

Corporate Governance Report (Cont'd)

During the year, the number of meetings held and the attendance of each current Director at the Board and Board committee meetings is as follows:

	Board		Audit		Nominating		Remuneration	
	No. of meetings held ⁽¹⁾	No. of meetings attended	No. of meetings held ⁽¹⁾	No. of meetings attended	No. of meetings held ⁽¹⁾	No. of meetings attended	No. of meetings held ⁽¹⁾	No. of meetings attended
John Sunderland	2	2	2	2	-	-	2	2
David Chia	6	6	4	4	1	1	3	3
Phillip Jeffrey Saile	6	6	-	-	-	-	1	1
Tan Yeelong	6	6	2	2	-	-	1	1
Ng Chee Keong	2	2	2	2	1	1	2	2

Notes:

- (1) Reflects the number of meetings held which are applicable to the Director during his/her term.
- (2) Ms Tan Yeelong stepped down from the Audit and Remuneration Committees on 10 September 2012.
- (3) Mr Phillip Jeffrey Saile stepped down from the Remuneration Committee on 10 September 2012.
- (4) Mr John Sunderland and Mr Ng Chee Keong joined the Board on 10 September 2012.
- (5) Mr Paul Carsten Pedersen has not been included in the above table as he was appointed on 30 May 2013.

In addition to formal meetings, the Directors are frequently updated on pertinent developments in the business and Company matters by Management via emails and telephone conferences. As some of the Board members are based overseas, frequent updates are provided by the CEO and discussions with other Board members are regularly held through emails and telephone conferences.

The Company does not have a formal training programme for new Directors. However to assist Directors in discharging their duties, they are updated on the relevant laws, continuing listing obligations and standards requiring compliance and their implications for the Group. Newly appointed Directors will be briefed by Management on the operations of the Group so as to enable them to have a better understanding of the Group's business. Directors are encouraged to attend seminars and receive training to improve themselves in the discharge of their duties.

Principle 2: Board Composition and Guidance

There should be a strong and independent element on the Board, which is able to exercise objective judgment on corporate affairs independently, in particular, from Management. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board currently comprises six members; two of whom are Independent Directors, three Directors who are Non-Independent and Non-Executive and an Executive Director who is the CEO.

Each Director is appointed based on the strength of his/her calibre, experience and potential to contribute to the Company and its business. The Board is of the view that, given the Group's current scope of business operations, the current Board size and composition, which comprise two members with specialized industry knowledge as well as others with diverse skills, experience and attributes, provides for effective direction for the Group. The NC will review the composition of the Board periodically to ensure that the Board has the appropriate mix of expertise and experience and collectively possess the necessary core competencies for effective functioning and informed decision-making.

The NC also reviews and determines the independence of each Director on an annual basis based on the guidelines provided by the Code. The criterion for independence goes beyond the definition given in the Code. The Board considers an "independent" director as one who has no relationship with the Company, its related companies, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent judgment of the conduct of the Group's affairs. In addition, an "independent" Director should also not represent the interests on any particular shareholder or group of shareholders.

The profiles of each of the Directors are set out in the "Board of Directors" section of this Annual Report.

Particulars of interests of Directors who held office at the end of the financial year in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are set out in the "Directors' Report" section of this Annual Report.

Principle 3: Chairman and Chief Executive Officer

There should be a clear division of responsibilities at the top of the company – the working of the Board and the executive responsibility of the company's business – which will ensure a balance of power and authority, such that no one individual represents a considerable concentration of power

The roles of the Chairman and the CEO are separate and distinct, each having their own areas of responsibilities. The Company believes that a distinctive separation of responsibilities between the Chairman and the CEO will ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The posts of Chairman and CEO are currently held by Mr John Sunderland and Mr Paul Carsten Pedersen respectively.

In view of the appointment of Mr Sunderland, who is a Non-Independent Director, as Chairman, Mr David Chia has been appointed as the Lead Independent Director of the Company for shareholders in situations where there are concerns and where communications with the Chairman, the CEO or the CFO has failed to resolve such concerns or may be inappropriate.

As Non-Executive Chairman, Mr Sunderland chairs the Board of Directors and is primarily responsible for the effective working of the Board. As the CEO, Mr Pedersen has overall responsibility of the Group's operations, organisational effectiveness and the implementation of Board policies and decisions.

The Chairman and the CEO of the Company are not related to each other.

Principle 4: Board Membership

There should be a formal and transparent process for the appointment of new directors to the Board.

The NC currently comprises three Directors, namely Mr Ng Chee Keong (Independent Director), Mr David Chia (Independent Director) and Ms Tan Yeelong (Non Independent Non-Executive Director). The Chairman of the NC is Mr Ng Chee Keong.

The NC serves to ensure a transparent process for the nomination of Directors to the Board and has the responsibility of determining an appropriate process to review and evaluate the Board's performance as a whole as well as each individual Director on the Board.

The functions of the NC include administering nominations and re-nominations to the Board and reviewing the structure, size and composition of the Board. It is also responsible for determining the independence of Board members in accordance to guidelines set out in the Code.

The NC is responsible for ensuring that the Board comprises individuals who are able to discharge their responsibilities as Directors and identifying suitable candidates for appointment to the Board. It also reviews the capabilities of the nominated candidates, taking into account his/her qualifications and experience, before recommending the appointment of the candidates to the Board.

The Articles of Association of the Company require one-third of the Board to retire from office at each annual general meeting ("AGM"). Accordingly, the Directors submit themselves for re-nomination and re-election at regular intervals of at least every three years. In addition, all new Directors who are appointed by the Board are subject to re-election at the next AGM but shall not be taken into account in determining the number of Directors who retire by rotation at such meeting. The dates of appointment and last re-election of the Directors are as follows:

	Date of appointment	Date of last re-election
John Sunderland	10 September 2012	NA
Paul Carsten Pedersen	30 May 2013	NA
David Chia	29 May 2008	29 July 2011
Phillip Jeffrey Saile	26 May 2010	27 July 2012
Tan Yeelong	28 July 2010	30 July 2010
Ng Chee Keong	10 September 2012	NA

Based on the above, the Directors who are seeking re-election at the forthcoming AGM are stated in the Notice of AGM.

In recommending to the Board any re-nomination and re-election of existing Directors, the NC takes into consideration factors such as participation at Board and Board committee meetings, the value of the individual to the Board and the Company and his/her contribution to the needs of the Company and its business.

Corporate Governance Report (Cont'd)

Principle 5: Board Performance

There should be a formal assessment of the effectiveness of the Board as a whole and the contribution by each director to the effectiveness of the Board.

The NC is responsible for evaluating the effectiveness and performance of the Board as a whole taking into account the complementary nature and collective nature of the Directors' contribution and of each individual Director. A formal review of the Board's performance is undertaken collectively by the Board annually.

During the year, the NC has reviewed and affirmed the independence of the Company's Independent Directors. It has also reviewed the composition of the Board and profiles of Board members in relation to the needs of the Company with the objective of achieving a balanced Board in terms of the mix of experience and expertise.

The NC also reviewed whether a Director who has multiple board representations is able to and has adequately carried out effectively the duties as a Director. All Directors are required to declare their board representations. The NC has reviewed the commitments of Directors with multiple board representations and is satisfied that the Directors have and are able to more than adequately carry out their duties as Directors of the Company.

Principle 6: Access to Information

In order to fulfil their responsibilities, board members should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis.

The Board receives information on the Group on an on-going basis. Directors are provided with monthly management accounts. In addition, relevant information on material events and transactions are circulated to Directors as and when they arise. Directors are regularly updated on business and operations by Management via emails and telephone conferences. The agenda for Board meetings are prepared in consultation with the Chairman and relevant papers are provided to Directors in advance of Board and Board committee meetings. Non-Executive Directors have separate, independent and unrestricted access to Management and may also consult with other employees and seek additional information if and when required.

The Board also has separate and independent access to the Company Secretary. All Board meetings are attended by at least one Company Secretary who ensures that Board procedures are followed and applicable laws and regulations are complied with. The Company Secretary also ensures information flow within the Board and its committees and between Management and the Board. The appointment of the Company Secretary is a matter for the Board as a whole.

Changes to regulations are closely monitored by Management. Where these changes have an important bearing on the Company or the Directors' disclosure obligations, Directors are briefed either during Board meetings or through the Company Secretary.

Where necessary, the Directors may, in order to fulfil their roles and responsibilities, seek independent professional advice, at the expense of the Company.

REMUNERATION MATTERS

Principle 7: Procedures for Developing Remuneration Policies

There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.

The RC comprises three members namely, Mr Ng Chee Keong (Independent Director), Mr David Chia (Independent Director) and Mr John Sunderland (Non Independent Non-Executive Director). The Chairman of the RC is Mr Ng Chee Keong.

The RC is responsible for ensuring a formal and transparent procedure for developing policy on executive remuneration and for determining the remuneration packages of individual Directors and key management executives. The RC recommends to the Board a framework of remuneration for the Directors serving on the Board and Board committees and also senior executives. The recommendations of the RC are submitted for endorsement by the entire Board. Each member of the RC is to abstain from voting on any resolutions and making any recommendations and/or participating in any deliberations of the RC in respect of his/her remuneration package. As such, no Director is involved in deciding his/her own remuneration. The RC also administers the Jasper Share Option Plan ("Share Option Plan") and the Jasper Share Incentive Plan ("Share Incentive Plan").

Although none of the RC members specialize in the area of executive compensation, the RC has access to independent professional expert advice where necessary.

Principle 8: Level and Mix of Remuneration

The level of remuneration should be appropriate to attract, retain and motivate the directors needed to run the company successfully but companies should avoid paying more than is necessary for this purpose. A significant proportion of executive directors' remuneration should be structured so as to link rewards to corporate and individual performance.

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies with the view to reward successful performance and attract, retain and motivate Directors and employees.

The CEO's remuneration comprises salary, bonus, allowance and benefits. A significant portion of the total remuneration is linked to performance.

Principle 9: Disclosure on Remuneration

Each company should provide clear disclosure of its remuneration policy, level and mix of remuneration, and the procedure for setting remuneration in the company's annual report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key executives, and performance.

The Group's remuneration policy aims to provide competitive compensation packages to reward performance and attract, retain and motivate Directors and employees.

In reviewing the remuneration of Directors, the Board considers the Company's performance, the responsibilities and performance of Directors as well as pay conditions within the industry and comparable companies. The fees payable to non-executive Directors reflect the scope and extent of the Director's responsibilities and obligations, based on a remuneration framework comprising a base fee and additional fees based for their appointment and roles in the respective Board committees. Such fees are recommended as a lump sum payment for approval by shareholders at the AGM of the Company. No Director is involved in deciding his/her own remuneration.

Remuneration for the CEO is formulated and reviewed by the RC. The remuneration package is intended to be competitive and to motivate the CEO to achieve the Company's goals which should be aligned with shareholders' interests. The CEO has a fixed term service contract in which performance bonus incentives form a substantial part of total remuneration.

Details of the remuneration of the Directors of the Company paid or payable for financial year ended 31 March 2013 within bands of US\$250,000 are set out below:-

Directors	Fixed %	Directors' Fees %	Bonus %	Allowances and Other Benefits %	Share options	Share based Compensation %	Other long-term incentives	Total %
<i>Below US\$250,000</i>								
John Sunderland	-	100.0	-	-	-	-	-	100.0
Paul Carsten Pedersen ⁽¹⁾	77.0	-	-	23.0	-	-	-	100.0
David Chia	-	68.0	-	-	-	32.0	-	100.0
Tan Yeelong	-	61.0	-	-	-	39.0	-	100.0
Ng Chee Keong	-	100.0	-	-	-	-	-	100.0
Steven Simpson ⁽²⁾	-	34.0	-	-	-	66.0	-	100.0
<i>US\$1,000,000 and above</i>								
Phillip Jeffrey Saile ⁽³⁾	7.5	3.8	-	-	-	88.7	-	100.0
Geoffrey Yeoh ⁽⁴⁾	13.1	-	-	12.0	-	74.9	-	100.0

Notes:

- (1) Mr Paul Carsten Pedersen joined the Group as CEO on 28 January 2013. He was subsequently appointed to the Board in May 2013. His remuneration has been pro-rated from the time of his appointment.
- (2) Mr Steven Simpson stepped down as Director on 30 July 2012.
- (3) Mr Phillip Jeffrey Saile was re-designated as a Non-Executive Director on 31 March 2013.
- (4) Mr Geoffrey Yeoh resigned from the Company on 18 October 2012.

Corporate Governance Report (Cont'd)

In determining the remuneration package of senior executives, the RC takes into consideration their performance and value-add to the Group, giving due regard to the financial health and business needs of the Group. Currently the Company has two share-based incentive schemes, the Share Option Plan and the Share Incentive Plan (together the "Plans") which allows employees to share in the growth and success of the Company. Details of the Plans can be found in the "Directors' Report" section of this Annual Report.

To provide a broad perspective of the remuneration of the key executives while maintaining confidentiality of employees' remuneration, the table below sets out the remuneration of the executives' remuneration within bands of US\$250,000.

Key Executives	Salary %	Bonus %	Allowances and Other Benefits %	Share options	Share based Compensation %	Other long-term incentives	Total %
<i>US\$250,000 to US\$500,000</i>							
Paul Ezekiel	71.3	-	9.6	-	19.1	-	100.0
Tan Choon Sze	73.8	-	9.2	-	17.0	-	100.0
Jens Rasmussen	69.0	-	20.2	-	10.8	-	100.0
Anthony McCormack	67.2	-	32.8	-	-	-	100.0
<i>Above US\$500,000</i>							
Eisso Koenders ⁽¹⁾	62.5	-	3.2	-	34.3	-	100.0

Note:

(1) Mr Eisso Koenders resigned from the Company on 31 March 2013.

There is no employee of the Company and its subsidiaries who is an immediate family member of any Director or the CEO or a substantial shareholder and whose remuneration exceeds US\$150,000 during the financial year ended 31 March 2013.

As matters have been made in this Report, the Board is of the opinion that a separate remuneration report will not be necessary.

ACCOUNTABILITY AND AUDIT

Principle 10: Accountability

The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to shareholders in compliance with statutory requirements and the Listing Manual of the SGX-ST.

The Board aims to provide shareholders with a balanced and understandable assessment of the Company's and Group's performance, position and prospects when presenting the annual financial statements, announcements of financial results, material transactions and other matters relating to the Group. This responsibility extends to interim and price sensitive public reports and reports to regulators, where required. Financial results and annual reports are announced or issued within the legally prescribed periods.

Management is accountable to the Board. Management currently provides periodic financial reports to the Board and updates the Board regularly on the business operations of the Group.

Principle 11: Audit Committee

The Board should establish an Audit Committee ("AC") with written terms of reference which clearly set out its authority and duties.

The AC currently comprises three members namely, Mr David Chia (Independent Director), Mr Ng Chee Keong (Independent Director) and Mr John Sunderland (Non Independent Non-Executive Director). Mr David Chia is Chairman of the AC.

The AC's scope of authority is formalized in its terms of reference, which include the statutory functions of an audit committee as prescribed under the Companies Act of Singapore and applicable listing rules of the SGX-ST. The Board is of the view that the AC members have the appropriate experience and qualifications to discharge their responsibilities effectively.

The responsibilities of the AC include:

- reviewing the significant financial reporting issues and judgements to ensure the integrity of the Company's financial statements/announcements relating to the Company's financial performance;
- reviewing and reporting to the Board annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls;
- reviewing with the external auditors their annual audit plan, findings and their recommendation to Management as well as Management's responses; their evaluation of the system of internal accounting controls and their audit report;
- reviewing the scope and results of the internal audit procedures; the assistance given by Management to the external and internal auditors; and any formal announcements relating to the financial performance of the Company and the Group prior to their submission to the Board; and
- recommending the appointment or re-appointment of the external and internal auditors, taking into account the scope and results of the audit and its cost effectiveness and the independence of the external and internal auditors.

In performing its functions, the AC has full authority to investigate matters within its terms of reference.

Since 2006 and on the recommendation of the AC which was approved by the Board, the Company has put in place a whistle-blowing framework whereby concerns of possible improprieties in matters of financial reporting or other matters may be raised in confidence to the AC. These arrangements were effected to ensure independent investigation of such matters and appropriate follow-up.

The AC met four times during the year, with 100% attendance record by its members. Invitations are also extended to other Board members and Management to attend AC meetings. The AC has full access to both the internal and external auditors and vice versa. During the year, the AC has met with the external auditors without the presence of Management and has reviewed the overall scopes of both the internal and external audits.

The AC also has unrestricted access to Management and has the full discretion to invite other Directors, the CEO or any executives to its meetings. It also has access to adequate resources to enable it to discharge its responsibilities properly.

The AC reviews the independence of the external auditors annually. The amount of fees paid to the external auditors, Foo Kon Tan Grant Thornton LLP ("FKTGT") for the year under review is set out in the "Financial Statements" section of this Annual Report. The AC, having reviewed the range and value of non-audit services performed by the external auditors, FKTGT, is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors. The AC has recommended that FKTGT be nominated for re-appointment as auditors at the forthcoming AGM.

FKTGT is an audit firm registered with the Singapore Accounting & Corporate Regulatory Authority. As FKTGT and its affiliates are also the auditors of the Company's subsidiaries, the AC and the Board are satisfied that the standard and effectiveness of the audit of the Company would not be compromise in compliance with Rules 712 and 715 of the Listing Manual of the SGX-ST.

Corporate Governance (Cont'd)

Principle 12: Internal Controls

The Board should ensure that the Management maintains a sound system of internal controls to safeguard the shareholders' investments and the company's assets.

The Board is responsible for ensuring that Management maintains a sound system of internal controls to safeguard shareholders' interests and the Company's assets.

The Company's external auditor carry out, in the course of their annual statutory audit, a review of the Company's material internal controls, including financial, operational and compliance controls and risk management to the extent of the scope of audit as laid out in their audit plan. In addition, the Company's internal auditor ("IA") periodically audits the Group's operations and business practices to provide reasonable assurance that internal controls established and maintained by Management are operating effectively. Material non-compliance and internal control weakness noted during the audit and by the internal auditor, as well as the auditors' recommendations to address such non-compliance and weakness are reported to the AC.

While no system can provide absolute assurance against material loss or financial misstatement, the Group's internal controls and systems are designed to provide reasonable assurance as to the integrity and reliability of the financial information and to safeguard and maintain accountability of its assets. The Board's internal controls set out approval limits for expenditure, investments and divestments and cheque signatory arrangements.

During the year, with the assistance of the IA, the Group conducted a review of its significant enterprise risks and the key controls in place to address those risks. In addition, a Control Self Assessment was also conducted with the assistance of the IA with process owners to ascertain the existence and operation of key controls within the Group during the year under review. Audit findings and recommendations arising from the work of the IA and external auditors were promptly addressed and wherever possible resolved by Management. Based on the foregoing, and with the concurrence of the AC, it is the opinion of the Board that there are adequate controls to address financial, operational and compliance risks of the Group within its current business and operating environments.

Principle 13: Internal Audit

The company should establish an internal audit function that is independent of the activities it audits.

The function of the IA is to provide objective opinions and assurances to the AC and Management as to the adequacy of the internal control processes, identify business, financial and operational risks and to recommend the formulation of policies and plans for effective compliance control.

The Company has outsourced its internal audit function to Baker Tilly Consultants (S) Pte Ltd which reports primarily to the Chairman of the AC. The IA is expected to meet or exceed the standards set by nationally or internationally recognized professional bodies including the Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors.

The IA has unrestricted direct access to the AC. The IA plans its scope of internal audit work each year in consultation with the AC and submits its annual audit plan to the AC for approval. The AC may also meet with the IA without the presence of Management to review Management's level of cooperation and other matters that warrants AC's attention.

The IA supports the AC in its role to assess the effectiveness of the Group's overall system of internal controls. The assistance provided by the IA is primarily achieved through the IA's appraisals of the financial and operational controls, policies and procedures established by Management and their reviews for compliance by the Group's operating entities with these established controls, policies and procedures.

During the year, the AC has reviewed the effectiveness of the IA and is satisfied that the IA is adequately resourced to fulfil its obligations.

COMMUNICATION WITH SHAREHOLDERS

Principle 14: Communication with Shareholders

Companies should engage in regular, effective and fair communication with shareholders.

In accordance with the Company's continuing disclosure obligations pursuant to the SGX-ST Listing Manual and the Companies Act, the Company strives to ensure that shareholders are informed of all major developments that may have a material impact on the Group on an adequate and timely basis .

The Company communicates information to shareholders through announcements released to the SGX-ST via SGXNET. Such announcements include its yearly and quarterly financial results, material transactions and other developments relating to the Group requiring disclosure under the corporate disclosure policy of the SGX- ST. The Company maintains a website(www.jasperinvests.com) where the public can access information on the Group.

All shareholders are sent the Annual Report together with the notice of the AGM. The notice of AGM, which sets out the items of business to be transacted at the AGM, is also advertised in a mass circulated newspaper.

Principle 15: Greater Shareholder Participation

Companies should encourage greater shareholder participation at AGMs, and allow shareholders the opportunity to communicate their views on various matters affecting the company.

The Company's main forum for dialogue with shareholders takes place at its AGM, where the members of the Board, senior management and the external auditor are in attendance. Shareholders are encouraged to attend the AGM and other general meetings and the Company welcomes questions from shareholders who are given an opportunity to raise issues and ask questions about the Company either formally or informally.

The Company's Articles of Association allow a shareholder entitled to attend and vote to appoint two proxies who need not be a shareholder to attend and vote on his/her behalf at general meetings. Resolutions requiring shareholders' approval are tabled separately for adoption at general meetings unless the matters for consideration are closely related and would more appropriately be considered together. Items of special business to be transacted at general meetings are accompanied, where required, by an explanation for the proposed resolution.

ADDITIONAL INFORMATION

Dealing in Securities

The Company has adopted a policy on dealings in the securities of the Company applicable to its Directors and employees. The policy is modeled on the Best Practices Guide in the SGX-ST Listing Manual. Under this policy, Directors and employees are prohibited from dealing in the Company's Shares during the period beginning one month before and ending on the date of the release of the full year and half year results as well as two weeks before and ending on the date of the release of the quarterly results

Directors and employees are expected to comply with and observe the insider trading laws at all times even when dealing in the Company's securities outside the prohibited periods. They are discouraged from dealing in the Company's securities on short-term considerations.

Corporate Governance (Cont'd)

Interested Person Transactions

In December 2008, shareholders approved a general mandate covering transactions involving the provision of financial assistance by the Company's controlling shareholder and companies/entities associated with it to the Group ("IPT Mandate"). The IPT Mandate was subsequently renewed annually with the last renewal in July 2012.

For the financial year under review, there were neither any interested person transactions conducted under the IPT Mandate nor any interested person transactions of S\$100,000 or above.

Notwithstanding the above, during the financial year under review, the Group has made a US\$2.4 million accrual for service fees to be paid to Ashmore Investment Management Limited, a substantial shareholder of the Company.

Material Contracts

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the CEO, any Director or controlling shareholder save for the service agreement entered into between the Company and its CEO and Executive Director.

Directors' Report

The directors of the Company ("Directors") submit this annual report to the members together with the audited consolidated financial statements of the Group and statement of financial position of the Company for the financial year ended 31 March 2013.

1 DIRECTORS

The Directors in office at the date of this report are:

John Sunderland - Chairman (appointed on 10 September 2012)

Paul Carsten Pedersen (appointed on 30 May 2013)

David Chia

Phillip Jeffrey Saile

Tan Yeelong

Ng Chee Keong (appointed on 10 September 2012)

2 ARRANGEMENT TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Except as disclosed under the "Share Plans" section of this Report, neither at the end of or at any time during the financial year was the Company or any of its subsidiaries a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or of any other body corporate.

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Companies Act, Cap. 50, the interests of the Directors who held office at the end of the financial year in shares, debentures and options of the Company and its related corporations are as follows:

	Holdings in the name of the Director, spouse or infant children	
	At beginning of year	At end of year
The Company		
<i>Ordinary Shares</i>		
David Chia	775,000	1,375,000
Phillip Jeffrey Saile	600,000	4,624,000
Tan Yeelong	600,000	-
Ng Chee Keong	-	1,000,000
<i>Options to subscribe for ordinary shares</i>		
David Chia	5,000,000	5,000,000

There were no changes to any of the above-mentioned interests between the end of the financial year and 21 April 2013.

4 DIRECTORS' CONTRACTUAL BENEFITS

Except as disclosed in the financial statements, and this report, since the end of the previous financial year, no Director has received or has become entitled to receive a benefit under a contract which is required to be disclosed under Section 201(8) of the Companies Act, Cap. 50.

5 SHARE PLANS

(a) Jasper Share Option Plan and Jasper Share Incentive Plan

The Company's share option plan ("Share Option Plan") and share incentive plan ("Share Incentive Plan") (collectively referred to as the "Share Plans") were approved and adopted by shareholders at an Extraordinary General Meeting held on 30 July 2009.

The Remuneration Committee (the "RC") of the Company is responsible for administering the Share Plans. As at the date of this report, the RC comprises the following members:-

Ng Chee Keong - Chairman (Independent Director)
David Chia - Member (Independent Director)
John Sunderland - Member (Non-Independent, Non-Executive Director)

The Share Option Plan provides an opportunity to employees of the Group to participate in the equity of the Company so as to motivate them, and to give recognition to non-executive directors, employees of the Company's holding company and its subsidiaries and employees of certain associated companies (over whose management the Company has control) who have contributed to the success of the Company and/or the Group.

The Share Incentive Plan is a performance-cum-incentive scheme for employees of the Company and its subsidiaries (including non-executive Directors of the Company). The Share Incentive Plan is based on a principle of pay-for-performance and is designed to reward, retain and motivate Group employees.

Subject to the prevailing legislation and the rules of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), the Company will have the flexibility to deliver ordinary shares in the capital of the Company ("Shares") to participants upon exercise of their options or, as the case may be, the vesting of their awards by way of:

- (a) an issue of new Shares; and/or
- (b) the delivery of existing Shares.

The aggregate number of new Shares which may be issued pursuant to options granted under the Share Option Plan on any date, when added to the number of new Shares issued and issuable in respect of all awards granted under the Share Incentive Plan, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) on the day preceding that date.

The Share Plans shall continue in effect, at the discretion of the RC, up to (and including) 29 July 2019, provided always that the Share Plans may continue beyond the above stipulated period with the approval of Shareholders in general meeting and of any relevant authorities which may then be required. Notwithstanding the expiry or termination of the Share Plans, any options granted and/or awards made to participants prior to such expiry or termination will continue to remain valid.

(b) Other information regarding the Share Option Plan is as follows:

An option granted pursuant to the Share Option Plan represents a right to acquire the Shares which are the subject of such option at the acquisition price per Share ("Exercise Price") applicable thereto. The selection of a participant and the number of Shares comprised in options to be offered to such participant in accordance with the Share Option Plan shall be determined at the absolute discretion of the RC, who shall take into account criteria such as his rank, job performance, years of service, potential for future development and his contribution to the success and development of the Group.

The Exercise Price payable for each of the Shares which is the subject of an option may be fixed (i) at the market price of a Share; (ii) at a premium to the market price of a Share; (iii) at the market price of a Share, but which may be adjusted (after the expiry of an incentive period) by a discount of up to 20% of the market price of a Share; and/or (iv) at a discount (up-front) of up to 20% of the market price of a Share.

In general, an option may be exercised by a participant, in whole or in part, during the exercise period applicable to such option subject to any conditions (including any vesting schedule) that may be imposed by the RC in relation to the vesting of any Shares comprised in that option.

Directors' Report (Cont'd)

5 SHARE PLANS (cont'd)

(c) Unissued Shares under Options

There were no options granted under the Share Option Plan during the financial year ended 31 March 2013. The options granted by the Company do not entitle the holders of the options, by virtue of such holdings, to any right to participate in any share issue of any other company.

At the end of the financial year, there were the following unissued Shares under options:

	Number of Holders	Date of Grant	Exercise Period	Exercise Price per share	Number of unissued shares under options
Independent Director of the Company	1	18 November 2009	18 November 2013 to 18 November 2014	\$S0.13 ⁽¹⁾	5,000,000
Total:	1				5,000,000

⁽¹⁾ The 5,000,000 unissued Shares under options granted to the Independent Director were granted at a discount of 8.45% of the market price of the Shares at the time of the grant of the options.

The aggregate number of options granted since the commencement of the Share Option Plan to the end of the financial year is as follows:

Participants	Options granted in the financial year ended 31 March 2013	Aggregate options granted since the commencement of the Share Option Plan	Aggregate options exercised since the commencement of the Share Option Plan	Aggregate options lapsed or cancelled	Aggregate outstanding options as at 31 March 2013
Directors of the Company:					
David Chia	-	5,000,000	-	-	5,000,000
Other participants:					
Employees of the Group	-	13,000,000	-	13,000,000	-
Total:	-	18,000,000 ⁽¹⁾	-	13,000,000 ⁽¹⁾	5,000,000

⁽¹⁾ In addition, 10,000,000 options were previously granted to 2 directors who have retired from the Board. These options have been cancelled.

(d) Other information regarding the Share Incentive Plan is as follows:

Under the Share Incentive Plan, awards are granted to eligible participants. Awards represent the right of a participant to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance targets (if any) are met and upon expiry of the prescribed vesting periods (where applicable). Participants are not required to pay for the grant of awards.

The selection of a participant and the number of Shares which are the subject of each award to be granted to a participant in accordance with the Share Incentive Plan shall be determined at the absolute discretion of the RC, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and, if applicable, the difficulty with which the performance target(s) may be achieved within the performance period.

5 SHARE PLANS (cont'd)

(e) Awards under the Share Incentive Plan

During the financial year, 70,011,458 ordinary shares in the Company were allotted and issued to participants of the Share Incentive Plan. The details of the Shares awarded during the financial year since the commencement of the Share Incentive Plan are as follows:

Participants	Aggregate number of Shares comprised in awards granted during the year	Aggregate number of Shares comprised in awards granted since the commencement of the Share Incentive Plan	Aggregate number of Shares comprised in awards which have been released during the year	Aggregate number of Shares comprised in awards which have lapsed or are cancelled	Aggregate number of Shares comprised in awards which have not been released during the year
Directors of the Company:					
David Chia	600,000	1,200,000	600,000	-	-
Phillip Jeffrey Saile	600,000	41,200,000	23,100,000	17,500,000	-
Tan Yeelong	600,000	1,200,000	600,000	-	-
Other participants:					
Employees of the Group ⁽¹⁾	21,993,458	108,478,223	45,711,458	4,084,000	9,600,000
Total:	23,793,458	152,078,223⁽²⁾	70,011,458	21,584,000	9,600,000

⁽¹⁾ Included in the numbers are shares comprised in awards which were granted to the ex-Executive Director.

⁽²⁾ Included in the number are 50,882,765 shares comprised in awards which were released prior to FY2013.

No Participants (including Directors of the Company) have been granted options pursuant to the Share Option Plan and/or have received new Shares awarded under the Share Incentive Plan, which, in aggregate, represent 5% or more of the aggregate of (1) the total number of new Shares available under the Share Option Plan and the Share Incentive Plan collectively; and (2) the total number of existing Shares delivered pursuant to the options exercised under the Share Option Plan and awards released under the Share Incentive Plan collectively.

No participant of the Share Option Plan or Share Incentive Plan is a controlling shareholder of the Company or its associate (as those terms are defined in the Listing Manual of the SGX-ST).

Directors' Report (Cont'd)

6 AUDIT COMMITTEE

At the date of this report, the Audit Committee comprise the following members:

David Chia - Chairman (Independent Director)
Ng Chee Keong - Member (Independent Director)
John Sunderland - Member (Non-Independent, Non-Executive Director)

The Audit Committee performs, amongst others, the functions set out in Section 201B of the Singapore Companies Act, Cap. 50.

In performing those functions, the Committee reviews:

- the audit plans of the Company's auditors and their evaluation of the systems of internal accounting controls arising from their audit examination, including assistance given by the Company's officers to the auditors;
- the scope and results of internal audit procedures;
- the statement of financial position of the Company and the consolidated financial statements of the Group before their submission to the Board of Directors; and
- interested party transactions (as defined in the Listing Manual of the SGX-ST).

The Audit Committee has recommended to the Board of Directors that the independent auditor Foo Kon Tan Grant Thornton LLP be nominated for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting of the Company.

7 INDEPENDENT AUDITOR

The independent auditor, Foo Kon Tan Grant Thornton LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board

PAUL CARSTEN PEDERSEN
Director

DAVID CHIA
Director

Dated: 26 June 2013

Statement by Directors

for the financial year ended 31 March 2013

In the opinion of the Directors, the accompanying statement of financial position of the Company and the consolidated financial statements of the Group, together with the notes thereon, are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group as at 31 March 2013 and of the results of the business, changes in equity and cash flows of the Group for the financial year ended on that date, and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Directors

PAUL CARSTEN PEDERSEN
Director

DAVID CHIA
Director

Dated: 26 June 2013

Independent Auditor's Report

to the members of Jasper Investments Limited

Report on the financial statements

We have audited the accompanying financial statements of Jasper Investments Limited (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Company and the Group as at 31 March 2013, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 March 2013, and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

Foo Kon Tan Grant Thornton LLP
Public Accountants and
Certified Public Accountants

Singapore, 26 June 2013

Statements of Financial Position

as at 31 March 2013

	Note	Group			Company		
		31 March 2013 US\$'000	31 March 2012 US\$'000 (Restated)	1 April 2011 US\$'000 (Restated)	31 March 2013 US\$'000	31 March 2012 US\$'000 (Restated)	1 April 2011 US\$'000 (Restated)
Assets							
Non-Current							
Plant and equipment	4	431,303	447,812	527,957	8	51	109
Rig newbuildings	5	-	74,634	36,365	-	-	-
Investments	6	36	36	36	36	36	36
Subsidiaries	7	-	-	-	118,502	116,372	142,577
		431,339	522,482	564,358	118,546	116,459	142,722
Current							
Trade and other receivables	8	11,921	12,056	1,190	24	174	88
Amount due from subsidiaries	7	-	-	-	340,121	331,474	290,610
Available-for-sale financial assets	9	-	-	12,544	-	-	-
Cash and bank balances	10	64,213	20,286	29,187	45,290	515	28,363
		76,134	32,342	42,921	385,435	332,163	319,061
Asset held-for-sale	11	1,620	-	-	-	-	-
		77,754	32,342	42,921	385,435	332,163	319,061
Total assets		509,093	554,824	607,279	503,981	448,622	461,783
Equity							
Capital and Reserves							
Share capital	12	589,731	586,418	573,467	589,731	586,418	573,467
Accumulated losses		(267,096)	(222,865)	(133,597)	(155,184)	(153,599)	(120,330)
Other reserves	13	4,507	4,674	8,024	168	335	300
		327,142	368,227	447,894	434,715	433,154	453,437
Non-controlling interests		(3,166)	(1,205)	525	-	-	-
Total equity		323,976	367,022	448,419	434,715	433,154	453,437
Liabilities							
Non-Current							
Borrowings	14	157,100	161,352	-	-	-	-
		157,100	161,352	-	-	-	-
Current							
Trade and other payables	15	27,999	26,409	33,713	727	353	595
Amount due to subsidiaries	7	-	-	-	68,539	15,115	2,122
Borrowings	14	-	-	124,996	-	-	5,585
Current tax payable		18	41	151	-	-	44
		28,017	26,450	158,860	69,266	15,468	8,346
Total liabilities		185,117	187,802	158,860	69,266	15,468	8,346
Total equity and liabilities		509,093	554,824	607,279	503,981	448,622	461,783

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Income Statement

for the financial year ended 31 March 2013

	Note	2013 US\$'000	2012 US\$'000 (Restated)
Revenue	3	377	26,163
Cost of sales		(53,337)	(44,678)
Gross loss		(52,960)	(18,515)
Other income	16	64,260	10,078
Other expenses	17	(26,656)	(3,921)
Administrative expenses		(8,953)	(8,112)
Impairment of plant and equipment		-	(55,794)
Interest expense		(21,852)	(20,907)
Loss before taxation	19	(46,161)	(97,171)
Taxation	20	(198)	6,173
Total loss for the year		(46,359)	(90,998)
Attributable to:			
Equity holders of the Company		(44,398)	(89,268)
Non-controlling interests		(1,961)	(1,730)
		(46,359)	(90,998)
Loss per share	21	Cents	Cents
Basic loss per share		(1.064)	(2.208)
Diluted loss per share		(1.064)	(2.208)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Comprehensive Income

for the financial year ended 31 March 2013

	Note	2013 US\$'000	2012 US\$'000 (Restated)
Loss for the year		(46,359)	(90,998)
Other comprehensive loss for the year:			
Decrease in other reserves	13	-	(3,350)
Total comprehensive loss for the year		(46,359)	(94,348)
Total comprehensive loss attributable to:			
Equity holders of the Company		(44,398)	(92,618)
Non-controlling interests		(1,961)	(1,730)
Total comprehensive loss for the year		(46,359)	(94,348)

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Changes in Equity

for the financial year ended 31 March 2013

	Share capital US\$'000	Other reserve US\$'000	Capital reserve US\$'000 (Note 13)	Share option reserve US\$'000	Exchange translation reserve US\$'000	Fair value reserves US\$'000	Total other reserves US\$'000	Accumulated losses US\$'000	Total US\$'000	Non- controlling interests US\$'000	Grand total US\$'000
Balance as at 1 April 2011, as previously reported	573,467	2,982	91	300	1,266	3,385	8,024	(128,060)	453,431	631	454,062
Effect of changes in accounting policy (Note 2(a))	-	-	-	-	-	-	-	(5,537)	(5,537)	(106)	(5,643)
Balance as at 1 April 2011, as restated	573,467	2,982	91	300	1,266	3,385	8,024	(133,597)	447,894	525	448,419
Issue of ordinary shares (Note 12)	12,951	-	-	-	-	-	-	-	12,951	-	12,951
Total comprehensive income/ (loss) for the year, as restated	-	-	-	35	-	(3,385)	(3,350)	(89,268)	(92,618)	(1,730)	(94,348)
Balance at 31 March 2012, as restated	586,418	2,982	91	335	1,266	-	4,674	(222,865)	368,227	(1,205)	367,022
Balance as at 1 April 2012, as previously reported	586,418	2,982	91	335	1,266	-	4,674	(215,295)	375,797	(1,060)	374,737
Effect of changes in accounting policy (Note 2(a))	-	-	-	-	-	-	-	(7,570)	(7,570)	(145)	(7,715)
Balance as at 1 April 2012, as restated	586,418	2,982	91	335	1,266	-	4,674	(222,865)	368,227	(1,205)	367,022
Issue of ordinary shares (Note 12)	3,313	-	-	-	-	-	-	-	3,313	-	3,313
Cancellation of share options	-	-	-	(167)	-	-	(167)	167	-	-	-
Total comprehensive loss for the year	-	-	-	-	-	-	-	(44,398)	(44,398)	(1,961)	(46,359)
Balance at 31 March 2013	589,731	2,982	91	168	1,266	-	4,507	(267,096)	327,142	(3,166)	323,976

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

for the financial year ended 31 March 2013

	2013 US\$'000	2012 US\$'000 (Restated)
Cash Flows from Operating Activities		
Loss before taxation	(46,161)	(97,171)
Adjustments for:		
Write-off of plant and equipment	4	239
Depreciation of plant and equipment	20,669	15,779
Interest income	(46)	(13)
Interest expense	21,852	20,907
Amortisation of bond discount	-	500
Amortisation of bond transaction charges	688	976
Loss on disposal of plant and equipment	-	938
Gain on disposal of available-for-sale financial assets	-	(4,034)
Net gain on disposal of jack-up rigs	(63,710)	-
Impairment charge on asset held-for-sale	286	-
Impairment charge on plant and equipment	107	54,411
Issuance of shares under share incentive plan	3,313	2,008
Share option expense	-	35
Operating loss before working capital changes	(62,998)	(5,425)
Decrease/(increase) in operating receivables	135	(6,834)
Decrease in operating payables	(344)	(4,198)
Cash used in operations	(63,207)	(16,457)
Income taxes (paid)/recovered	(221)	6,063
Net cash used in operating activities	(63,428)	(10,394)
Cash Flows from Investing Activities		
Acquisition of plant and equipment (Note A)	(4,311)	(331)
Acquisition of rig newbuildings (Note 5)	(4,476)	(38,269)
Purchase of inventories, now classified as asset held-for-sale	(1,906)	-
Interest received	46	13
Net proceeds from disposal of jack-up rigs	145,141	-
Proceeds from disposal of plant and equipment	-	1,182
Proceeds from disposal of available-for-sale financial assets	-	13,194
Net cash generated from/(used in) investing activities	134,494	(24,211)
Cash Flows from Financing Activities		
Proceeds from issuance of new shares (Note B)	-	10,943
Interest paid	(21,789)	(20,355)
(Buy back of)/proceeds from issue of bonds	(4,940)	160,875
Repayment of term loan	(500)	-
Repayment of financial institution loan	-	(75,000)
Repayment of bank loan	-	(50,996)
Net cash (used in)/generated from financing activities	(27,229)	25,467
Net increase/(decrease) in cash and cash equivalents	43,837	(9,138)
Effect of foreign exchange rate changes	90	237
Cash and cash equivalents at beginning	20,286	29,187
Cash and cash equivalents at end (Note 10)	64,213	20,286

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows (Cont'd)

for the financial year ended 31 March 2013

Notes:

A. Acquisition of plant and equipment

During the financial year, the Group acquired plant and equipment with an aggregate cost of approximately US\$4.3 million (2012 - US\$0.3 million). Cash payments of approximately US\$4.3 million (2012 - US\$0.3 million) were made to purchase plant and equipment.

B. Issuance of new shares

	2013 US\$'000	2012 US\$'000
Issue of New Shares	-	10,943

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

for the financial year ended 31 March 2013

1 General information

The Company is a limited liability company domiciled in Singapore.

In August 2012, the Company's wholly-owned subsidiaries Jasper Adventurer Pte. Ltd. ("JAPL") and Jasper Beacon Pte. Ltd. ("JBPL") entered into an agreement with Integradora De Servicios Petroleros Oro Negro, S.A.P.I de CV ("ON") whereby (i) JAPL would sell the rights and obligation under an agreement for the construction of the jack-up rig, the "Jasper Adventurer", with Keppel FELS Limited ("KFELS") and (ii) JBPL would grant an option to ON for the sale of its rights and obligations under an agreement for the construction of the jack-up rig, the "Jasper Beacon", also under construction with KFELS.

The sale of the rights and obligation under the construction agreements for the "Jasper Adventurer" and "Jasper Beacon" to ON was completed in September 2012 and November 2012 respectively.

The Group entered into a drilling contract with CNOOC Congo SA ("CNOOC") on 21 January 2013. Under the contract, the drilling rig, the "Jasper Explorer", will be deployed to drill two oil wells with an option to drill another well in offshore Republic of Congo.

On 25 April 2013, "Jasper Explorer" commenced drilling operations.

The registered office of the Company is located at 1 HarbourFront Place #03-01, HarbourFront Tower One, Singapore 098633.

The principal activity of the Company is that of an investment holding company. The principal activities of the key subsidiaries are those of ownership of offshore drilling rigs and the provision of offshore oil & gas drilling services.

The financial statements of the Group and the Company for the year ended 31 March 2013 were authorised for issue in accordance with a resolution of the Directors on 26 June 2013.

The parent company is Morton Bay (Holdings) Pte Ltd whose registered address is at 36 Carpenter Street, Singapore 059915.

2(a) Basis of preparation

The financial statements are prepared in accordance with Singapore Financial Reporting Standards ("FRS") including related interpretations promulgated by the Accounting Standards Council ("ASC"). The financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies below.

The financial statements are presented in the United States Dollar which is the Company's functional currency. All financial information is presented in United States Dollar unless otherwise stated.

Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year. In the beginning of the current financial year, the Group has adopted a new accounting policy for spare parts and consumables which are used for the drilling operations.

In previous financial years, spare parts and consumables were accounted as inventories which were valued at cost of purchase (including cost incurred in bringing the spare parts and consumables to their present location and condition) on a first in first out basis less any applicable allowance for obsolescence. When consumed, the carrying amount was recognised as an expense in the year in which the consumption occurs.

With effect from 1 April 2012, the Group revised its accounting policy in respect of these spare parts and consumables. Under the new policy, spare parts and consumables are recognised in profit or loss when purchased.

This change harmonises the treatment of spare parts and consumables and aligns the Group's accounting policy with industry practice, enhancing the comparability of the Group's financial statements with those of its peers. The Directors believe that the new policy provides reliable and more relevant financial information to the users of the financial statements.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

2(a) Basis of preparation (cont'd)

This change in accounting policy has been applied retrospectively, and the comparative financial figures have been restated as follows:

	Group		Group	
	31 March 2012 US\$'000 (Restated)	31 March 2012 US\$'000 (Reported)	1 April 2011 US\$'000 (Restated)	1 April 2011 US\$'000 (Reported)
<u>Statement of financial position</u>				
Inventory	-	7,715	-	5,643
Accumulated losses	(222,865)	(215,295)	(133,597)	(128,060)
Non-controlling interests	(1,205)	(1,060)	525	631
<u>Consolidated income statement</u>				
Cost of sales	(44,620)	(42,548)		

	Group	
	31 March 2012 US\$'000 (Decrease)/increase	1 April 2011 US\$'000 (Decrease)/increase
Effects on adoption:		
<u>Statement of financial position</u>		
Inventory	(7,715)	(5,643)
Accumulated losses	7,570	5,537
Non-controlling interests	(145)	(106)
<u>Consolidated income statement</u>		
Cost of sales	2,072	
Basic loss per share (cents)	0.051	
Diluted loss per share (cents)	0.051	

Going concern

The financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will be able to meet their obligations as and when they fall due in the next 12 months. The Group incurred a net loss after tax of US\$46.4 million (2012 - US\$91.0 million) and negative operating cashflows of US\$63.43 million (2012 - US\$10.39 million) during the financial year ended 31 March 2013.

The Group signed an agreement with CNOOC on 21 January 2013 for the deployment of the drilling rig, the "Jasper Explorer" to drill two firm wells with an option to drill another well in offshore Republic of Congo. The "Jasper Explorer" commenced drilling in April 2013.

At the same time, the Group is also actively exploring all contractual opportunities with potential customers to ensure continuity of follow on work for the "Jasper Explorer".

For its accommodation rig, the "Jasper Cosmopolitan", currently under conversion in Shekou, Republic of China, the Group has the ability to generate additional working capital either through financing from financial institutions or to dispose of it. The Group is of the view that there is currently a healthy demand for accommodation rigs which would facilitate a disposal, if necessary.

Based on the foregoing, the Directors are of the view that there is reasonable assurance that the Group will be able to meet its obligations as and when they fall due in the next twelve months and a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future.

If for any reason, the Group is unable to continue as a going concern, it could have an impact on the Group's ability to realise assets at their recognised values.

2(a) Basis of preparation (cont'd)

Significant accounting estimates and judgements

The preparation of the financial statements in conformity with FRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The critical accounting estimates and assumptions used and areas involving a high degree of judgement are described below:

Depreciation of plant and equipment

Plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of plant and equipment to be within 3 to 20 years. The carrying amount of the Company's and the Group's plant and equipment as at 31 March 2013 are US\$431.3 million and US\$8,000 (2012 - US\$447.81 million and US\$51,000) respectively. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets. Therefore future depreciation charges could be revised.

Impairment of plant and equipment and rig newbuildings

The Group assesses annually whether plant and equipment and rig newbuildings have any indication of impairment in accordance with the accounting policy. The recoverable amounts of plant and equipment and rig newbuildings have been determined based on value-in-use computations and fair value less costs of sale. The value-in-use computations require the Group to estimate the future cash flows expected from the cash generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Management has evaluated the recoverability of the assets based on such estimates and has made the necessary allowance for impairment as disclosed in Notes 4 and 5.

Impairment in investment in subsidiaries

Determining whether investment in subsidiaries is impaired requires an estimation of the value-in-use of that investment. The value-in-use computations requires the Group to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Management has evaluated the recoverability of the investment based on such estimates, as disclosed in Note 7.

Income tax

The Group has exposure to income taxes in numerous jurisdictions. Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income tax. There are also claims for which the ultimate tax determination is uncertain during the ordinary course of business. The Group and the Company recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. When the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The Group's income expense is based on the income and statutory tax rate imposed in the tax jurisdictions in which the subsidiaries conduct operations. In some cases, tax rates may be applicable to gross revenue rather than to net income.

Impairment of bad and doubtful debts

The Group and the Company make allowances for bad and doubtful debts based on an assessment of the recoverability of trade and other receivables and related parties' balances. Allowances are applied to trade and other receivables and related parties' balances where events or changes in circumstances indicate that the balances may not be collectible. The identification of bad and doubtful debts requires the use of judgement and estimates. Where the expected outcome is different from the original estimate, such differences will impact the carrying value of trade and other receivables, related parties' balances and doubtful debts expenses in the year in which such estimate has been changed, as disclosed in Notes 6 and 8.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

2(b) Interpretation and amendments to published standards effective in 2012

On 1 April 2012, the Group and the Company adopted the amended FRS that is mandatory for application from 1 January 2012. Changes to the Group's and the Company's accounting policies have been made as required, in accordance with the transitional provisions in the following FRS which is relevant to the Group and Company:

Reference	Description
FRS 107	Disclosures - Transfers of Financial Assets

The adoption of the amended FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

2(c) FRS and INT FRS issued but not yet effective

At the date of authorisation of these financial statements, the following FRS and INT FRS were issued but not yet effective and which the Group and the Company has not early adopted:

	Description	Effective date (Annual periods beginning on or after)
FRS 1	Amendments to FRS 1- Presentation of Items of Other Comprehensive Income	1.7.2012
FRS 19	Employee Benefits	1.1.2013
FRS 27	Separate Financial Statements	1.1.2014
FRS 28	Investments in Associates and Joint Ventures	1.1.2014
FRS 32	Offsetting of Financial Assets and Financial Liabilities	1.1.2014
FRS 101	Amendments to FRS 101 - Government Loans	1.1.2013
FRS 107	Offsetting of Financial Assets and Liabilities	1.1.2013
FRS 110	Consolidated Financial Statements	1.1.2014
FRS 110	Consolidated Financial Statements, Joint Entities: Arrangements and Disclosure of Interests in Other Transition Guidance (Amendments to FRS 110, FRS 111 and FRS 112)	1.1.2014
FRS 111	Joint Arrangements	1.1.2014
FRS 112	Disclosure of Interests in Other Entities	1.1.2014
FRS 113	Fair Value Measurements	1.1.2013
INT FRS 120	Stripping Costs in the Production Phase of a Surface Mine	1.1.2013
General amendments	Improvements to FRSs 2012	1.1.2013

The Directors do not anticipate that the adoption of the above FRSs, INT FRSs and amendments to FRS in future periods will have a material impact on the financial statements of the Group and the Company in the period of their initial adoption except as follows:

Amendments to FRS 1 Presentation of Items of Other Comprehensive Income

The amendments to FRS 1 *Presentation of Items of Other Comprehensive Income* ("OCI") are effective for financial periods beginning on or after 1 July 2012.

The amendments to FRS 1 changes the grouping of items presented in OCI. Items that could be classified to profit or loss at a future point in time would be presented separately from items which will never be reclassified. As the amendments only affect the presentation of items that are already recognised in OCI, the Group and the Company does not expect any impact on its financial position or performance upon adoption of this standard.

FRS 113 – Fair Value Measurement

FRS 113 provides consistent guidance across IFRSs on how fair value should be determined and which disclosures should be made in the financial statements. The adoption of FRS 113 is expected to result in revised/additional fair value disclosures in the financial statements.

2(d) Summary of significant accounting policies

Consolidation

The accounting year of the Company and its subsidiaries ends on 31 March.

The financial statements of the Group include the financial statements of the Group and its subsidiaries made up to the end of the financial year. Information on its subsidiaries is given in Note 7.

Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests are that part of the net results of operations and of net assets of a subsidiary attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of financial position, consolidated statement of comprehensive income and statement of changes in equity. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in a subsidiary, even if this results in the non-controlling interests having a deficit balance.

Plant and equipment and depreciation

Plant and equipment are stated at cost or valuation less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to write off the cost of these assets over their estimated useful lives as follows:

Drilling rigs	20 years
Hand tools	7 years
Drilling and movable equipment	5 years

The estimated useful lives of other plant and equipment are as follows:

Plant and machinery	4 to 8 years
Motor vehicles	4 to 5 years
Equipment, furniture and fittings	3 to 10 years

Construction-in-progress is not depreciated until the assets are completed and ready for use.

The cost of plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment.

Subsequent expenditure relating to plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the Company and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

For acquisitions and disposals during the financial year, depreciation is provided from the month of acquisition to the month before disposal respectively. Fully depreciated plant and equipment are retained in the books of accounts until they are no longer in use.

The carrying values of plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation methods, useful life and residual values are reviewed and adjusted as appropriate at each reporting date as a change in estimates.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

2(d) Summary of significant accounting policies (cont'd)

Rig newbuildings

The jack-up rigs under construction are stated at cost. Expenditures relating to the construction of jack-up rigs are capitalised when incurred. No depreciation is provided until the construction-in-progress is completed and the jack-up rig is ready for use.

The carrying value of the jack-up rigs is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Club membership

Transferable club memberships are stated at cost less any provision for impairment in value.

Subsidiaries

A subsidiary is an entity controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether there is control.

In the Company's separate financial statements, investment in subsidiaries are stated at cost less accumulated impairment losses, if any, on an individual subsidiary basis.

Financial assets

The Group and the Company classify its financial assets, other than hedging instruments, into the following categories: "financial assets at fair value through profit or loss", "held-to-maturity investments", "loans and receivables" and "available-for-sale" financial assets. The classification depends on the purpose for which the assets were acquired. Management determines the classification of its assets at initial recognition and re-evaluates this designation at every reporting date. The designation of financial assets at fair value through profit or loss is irrevocable.

All financial assets are recognised on their trade date - the date on which the Group and the Company commit to purchase or sell the asset. Financial assets are initially recognised at fair value, plus directly attributable transaction costs except for financial assets at fair value through profit or loss, which are recognised at fair value.

De-recognition of financial instruments occurs when the rights to receive cash flows from the financial assets expire or are transferred and substantially all of the risks and rewards of ownership have been transferred. An assessment for impairment is undertaken at least at each end of reporting period whether or not there is objective evidence that a financial asset or a group of financial assets is impaired.

The Group and the Company carry on the statements of financial position the following categories of financial assets at the end of the reporting period.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group and the Company provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for when their maturity is greater than 12 months after the end of reporting period. These are classified as non-current assets, if any.

They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. If there is objective evidence that the asset has been impaired, the financial asset is measured at the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses are reversed in subsequent periods when an increase in the asset's recoverable amount can be related objectively to an event occurring after the impairment was recognised, subject to a restriction that the carrying amount of the asset at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised. The impairment or writeback is recognised in profit or loss.

Loans and receivables include trade and other receivables, amount due from related parties in the statements of financial position.

2(d) Summary of significant accounting policies (cont'd)

Financial assets (cont'd)

Available-for-sale financial assets

Available-for-sale financial assets include non-derivative financial assets that do not qualify for inclusion in any other categories of financial assets. They are included in non-current assets unless management intends to dispose of the financial assets within 12 months of the end of reporting period.

All financial assets within this category are subsequently measured at fair value with changes in value recognised in equity, net of any effects arising from income taxes, until the financial assets are disposed of or are determined to be impaired, at which time the cumulative gains or losses previously recognised in equity is included in the profit or loss for the period.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the asset is impaired, the cumulative loss that had been recognised directly in equity shall be removed from the equity and recognised in the profit or loss even though the financial asset has not been de-recognised.

The amount of the cumulative loss that is removed from equity and recognised in profit or loss shall be the difference between the acquisition cost (net of any principal repayment and amortisation) and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Impairment losses recognised in profit or loss for equity investments classified as available-for-sale are not subsequently reversed through the profit or loss. Impairment losses recognised in the profit or loss for debt instruments classified as available-for-sale are subsequently reversed in the profit or loss if an increase in the fair value of the instrument can be objectively related to an event occurring after the recognition of the impairment loss.

Assets that fall within these financial assets category are investments held for short-term.

Determination of fair value

The fair values of quoted financial assets are based on current bid prices. If a financial asset has no active market, the Group and the Company establish fair value by using valuation techniques. These include but are not limited to the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models. Where fair values of unquoted instruments cannot be measured reliably, fair value is determined by the transaction price.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits and highly liquid investments which are readily convertible to cash and which are subject to an insignificant risk of changes in value.

Non-current assets held-for-sale

Non-current assets that are classified as assets held-for-sale, are carried at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as being held-for-sale. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

2(d) Summary of significant accounting policies (cont'd)

Financial liabilities

The Group's and the Company's financial liabilities include borrowings and payables.

Financial liabilities are recognised when the Group and the Company become a party to the contractual agreements of the instrument. All interest-related charges are recognised as expense under finance costs in the profit or loss. Financial liabilities are de-recognised if the Group's and the Company's obligations specified in the contract expire or are discharged or cancelled.

Borrowings are recognised initially at fair value of proceeds received less attributable transaction costs, if any. Borrowings are subsequently stated at amortised cost which is the initial fair value less any principal repayments. Any difference between the proceeds (net of transaction costs) and the redemption value is taken to profit or loss over the period of the borrowings using the effective interest method.

Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the amortisation process.

Borrowings which are due to be settled within 12 months after the reporting date are included in current liabilities in the statements of financial position even though the original terms were for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of reporting period and before the financial statements are authorised for issue. Borrowings to be settled within the Group's normal operating cycle are classified as current. Other borrowings due to be settled more than 12 months after the end of reporting period are included in non-current liabilities in the statements of financial position.

Payables, which represent the consideration for goods and services received, whether or not billed to the Group and the Company, are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method. Payables include trade and other payables, and amount due to related parties in the statements of financial position.

Provisions

Provisions are recognised when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The management reviews the provisions annually and where in their opinion, the provision is inadequate or excessive, due adjustment is made.

If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of the time is recognised as finance costs.

Borrowing costs

Borrowing costs are recognised in profit or loss as incurred except to the extent that they are capitalised. Borrowing costs are capitalised if they are directly attributable to the construction of a qualifying asset. Capitalisation of borrowing costs commences when the activities to prepare the asset for its intended use or sale are in progress and the expenditures and borrowing costs are incurred. Borrowing costs are capitalised until the assets are ready for their intended use or sale.

2(d) Summary of significant accounting policies (cont'd)

Leases

Operating leases

Leases of assets in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases.

Rentals on operating leases are charged to profit or loss on a straight-line basis over the lease term. Lease incentives, if any, are recognised as an integral part of the net consideration agreed for the use of the leased asset. Penalty payments on early termination, if any, are recognised in profit or loss when incurred.

Income taxes

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting or taxable profit or loss at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint venture, except where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Employee benefits

Defined contribution plan

The Group makes contributions to pension schemes as defined by the laws of the countries in which it has operations. In particular, the Singapore incorporated companies in the Group contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. Contributions to pension schemes are recognised as an expense in the period in which the related service is performed.

Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the profit or loss in the accounting period in which the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

2(d) Summary of significant accounting policies (cont'd)

Employee benefits (cont'd)

Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors of the Company and its subsidiaries are considered key management personnel.

Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the unconsumed leave as a result of services rendered by employees up to the end of reporting period.

Employee Share Option Scheme

The Company has an employee share option plan for the granting of non-transferable options.

The Group issues equity-settled share-based payments to certain employees. The fair value of the employee services received in exchange for the grant of options is recognised as an expense in the profit or loss with a corresponding increase in the share option reserve over the vesting period. The total amount to be recognised over the vesting period is determined by reference to the fair value of the options granted on the date of the grant. Non-market vesting conditions are included in the estimation of the number of shares under options that are expected to become exercisable on the vesting date. At the end of each reporting period, the Group revises its estimates of the number of shares under options that are expected to become exercisable on the vesting date and recognises the impact of the revision of the estimates in the profit or loss, with a corresponding adjustment to the share option reserve over the remaining vesting period.

When the options are exercised, the proceeds received (net of transaction costs) and the related balance previously recognised in the share option reserve are credited to share capital account, when new ordinary shares are issued, or to the "treasury shares" account when treasury shares are re-issued to the employees. In the Company's separate financial statements, the fair value of options granted to employees of its subsidiaries is recognised as an increase in the cost of the Company's investment in subsidiaries, with a corresponding increase in equity over the vesting period.

Related parties

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

Impairment of non-financial assets

The carrying amounts of the Group's and Company's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the asset belongs will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2(d) Summary of significant accounting policies (cont'd)

Impairment of non-financial assets (cont'd)

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value-in-use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to profit or loss.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.

A reversal of an impairment loss is credited as income in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.

Revenue recognition

Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer and the amount of revenue and the costs of the transaction can be measured reliably.

Revenue excludes goods and services taxes and is arrived at after deduction of trade discounts. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Revenue from drilling contracts or other service contracts is recognised in the period that services are rendered at rates established in the relevant contracts using the time-apportionment basis.

Revenue from mobilisation fee of rigs pertaining to the relocation of drilling rigs is recognised when services are performed over a time duration period.

Revenue from demobilisation fee of rigs is recognised when services are rendered.

Revenue from the provision of management services is recognised when the services are rendered.

Dividend income is recognised gross when the shareholders' right to receive it is established.

Interest income is recognised on a time-apportionment basis using the effective interest method.

Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements of the Group and the statement of financial position of the Company are presented in United States Dollar to the nearest thousand which is the Company's functional and presentation currency.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

2(d) Summary of significant accounting policies (cont'd)

Conversion of foreign currencies

Monetary assets and liabilities in foreign currencies are translated into functional currency at rates of exchange closely approximating those ruling at end of reporting period. Other transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates. Exchange differences arising from such transactions are recorded in the profit or loss in the period in which they arise.

Monetary items

Foreign currency monetary items measured at fair value are translated into the functional currency at rates of exchange closely approximating those ruling at end of reporting period. Transactions in foreign currencies are converted at rates closely approximating those ruling at transaction dates.

Group entities

The results and financial position of all the entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing exchange rates at the end of reporting period;
- (ii) Income and expenses are translated at average exchange rates; and
- (iii) All resulting currency translation differences are recognised in the currency translation reserve in equity.

Currency translation differences on foreign currency non-monetary items carried at fair value, such as investments carried at fair value through statement of comprehensive income, are reported as part of the fair value gain or loss.

Financial instruments

Financial instruments carried on the statements of financial position include cash and cash equivalents, financial assets and financial liabilities. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item. These instruments are recognised when contracted for.

Disclosures on financial risk management objectives and policies are provided in Note 28.

Operating segments

For management purposes, operating segments are recognised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segments under their charge. The segment managers are directly accountable to the chief executive officer who regularly reviews the segment results in order to allocate resources to the segments and to assess segment performance.

3 Revenue

Significant categories of revenue, excluding intercompany transactions and applicable goods and services tax, are detailed as follows:

Group	2013 US\$'000	2012 US\$'000
Drilling contract revenue	-	21,613
Mobilisation/demobilisation fee	377	4,550
	377	26,163

4 Plant and equipment

Group	Construction- in-progress US\$'000	Drilling Rig US\$'000	Motor vehicles US\$'000	Equipment, furniture and fittings US\$'000	Total US\$'000
Cost					
At 1 April 2011	113,954	538,050	160	1,426	653,590
Additions	209	74	-	48	331
Disposals	(8,267)	(2,026)	-	(1,236)	(11,529)
At 31 March 2012	105,896	536,098	160	238	642,392
Additions	4,030	-	-	281	4,311
Disposals	-	-	-	(228)	(228)
At 31 March 2013	109,926	536,098	160	291	646,475
Accumulated depreciation and impairment loss					
At 1 April 2011	57,231	67,000	89	1,313	125,633
Depreciation for the year	-	15,648	32	99	15,779
Impairment in value	(1,383)	55,794	-	-	54,411
Disposals	-	(12)	-	(1,231)	(1,243)
At 31 March 2012	55,848	138,430	121	181	194,580
Depreciation for the year	-	20,569	32	68	20,669
Impairment in value	107	-	-	-	107
Disposals	-	-	-	(184)	(184)
At 31 March 2013	55,955	158,999	153	65	215,172
Net book value					
At 31 March 2013	53,971	377,099	7	226	431,303
At 31 March 2012	50,048	397,668	39	57	447,812

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

4 Plant and equipment (cont'd)

Company	Motor vehicle US\$'000	Equipment, furniture and fittings US\$'000	Total US\$'000
Cost			
At 1 April 2011	160	213	373
Additions	-	1	1
Disposals	-	(32)	(32)
At 31 March 2012	160	182	342
Disposals	-	(180)	(180)
At 31 March 2013	160	2	162
Accumulated depreciation			
At 1 April 2011	89	175	264
Depreciation for the year	32	27	59
Disposals	-	(32)	(32)
At 31 March 2012	121	170	291
Depreciation for the year	32	7	39
Disposals	-	(176)	(176)
At 31 March 2013	153	1	154
Net book value			
At 31 March 2013	7	1	8
At 31 March 2012	39	12	51

The drilling rig, the "Jasper Explorer" represents a significant portion of the Group's assets. The carrying amount was US\$377.1 million (2012 - US\$397.67 million). Construction-in-progress refers to the semi-submersible, which is in the process of being converted into an accommodation rig.

The Group evaluates any indication of impairment in plant and equipment at the end of each reporting period.

The Group carried out a review of the recoverable amount of its plant and equipment, namely the drilling rig and semi-submersible. These assets are used in the Group's offshore drilling segment. The carrying amounts of the assets were reduced to the recoverable amounts based on the value-in-use amounts over the remaining life of the drilling rig and the accommodation rig (upon completion of the conversion) and discounted to present value at a rate of 9.9% (2012 - 13.5%).

Based on the review, no impairment is required on the drilling rig.

In the previous financial year, an impairment loss of US\$55.79 million had been made for the drilling rig, owing to the negative global economy arising from European debt crisis and credit rating downgrades for major countries.

During the financial year, an impairment loss of US\$107,000 relating to certain equipment of the semi-submersible has been recognised in the profit or loss as the recoverable amount of these equipment are lower than the carrying amount.

In the previous financial year, the Group made a final settlement with one of its equipment suppliers and a reversal of impairment of US\$1.38 million was recognised in the profit or loss.

The key assumptions used for the value-in-use computations are those regarding the discount rates, growth rates and expected changes to charter prices and direct costs during the period. The growth rate is based on industry growth forecasts. Changes in charter prices and direct costs are based on past experience and expectation of future changes in the market.

The drilling rig, which has a total net book value of US\$377.1 million (2012 - US\$397.67 million), has been mortgaged to the bondholders as security for borrowings as disclosed in Note 14.

The semi-submersible, included in construction-in-progress, with a net book value of US\$53.97 million (2012 - US\$50.05 million), has been mortgaged to a subsidiary.

5 Rig newbuildings

	Group	
	2013 US\$'000	2012 US\$'000
At beginning of the year	74,634	36,365
Additions	4,476	38,269
Disposals	(79,110)	-
	-	74,634

The 2 jack-up rigs under construction included in the rig newbuildings were disposed during the year.

Additions were relating to expenses directly attributable to the construction of the jack-up rigs. Such expenses include project management costs for the construction of the jack-up rigs, which amounted to US\$3.05 million (2012 - US\$2.21 million) and which were capitalised.

Borrowing costs of US\$1.41 million (2012 - US\$62,000) which arose mainly due to financing for the construction of jack-up rigs were capitalised.

During the year, the rig newbuildings were included as part of a security package for a loan between certain subsidiaries and a financial institution. The loan was repaid in the financial year and the security was discharged during the year as disclosed in Note 16(b).

6 Investments

	Group and Company	
	2013 US\$'000	2012 US\$'000
Club membership, at cost	116	116
Allowance for impairment of club membership	(80)	(80)
	36	36

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

7 Subsidiaries

	Company	
	2013 US\$'000	2012 US\$'000
Unquoted shares, at cost	*	*
Amount due from subsidiaries - long-term loan	306,992	304,862
Less: Allowance for impairment		
Opening balance	188,490	158,490
Movement for the year	-	30,000
Ending balance	188,490	188,490
	118,502	116,372

*Less than US\$1,000.

Amount due from subsidiaries - long-term loan

- unsecured loan

118,502

116,372

Amounts due from/(to)subsidiaries-non trade

	2013 US\$'000	Company	
		2012 US\$'000	1 April 2011 US\$'000
Amount due from subsidiaries	340,121	331,474	290,610
Amount due (to) subsidiaries	(68,539)	(15,115)	(2,122)
	271,582	316,359	288,488

In the previous financial year, an impairment charge of US\$30 million was recognised for the Company's unsecured loan of US\$304.86 million to its subsidiaries as management has determined that the recoverable amount which was based on the value-in-use computation of the drilling rig and the accommodation rig (upon completion of its conversion) was lower than the carrying value of these unsecured loans. No additional impairment was passed during the year.

Included in unsecured loans of US\$118.50 million (2012 - US\$116.37 million) are quasi-equity loans of US\$118.50 million (2012 - US\$116.37 million) which represent an extension of the Company's net investment in the subsidiary. There are no fixed terms of repayment for these loans as the settlement is neither planned nor likely to be settled in the foreseeable future.

The non-trade amounts due from/(to) subsidiaries, representing advances, are unsecured, interest-free and repayable on demand.

7 Subsidiaries (cont'd)

The subsidiaries are as follows:

Name	Country of incorporation	Effective percentage of equity held		Principal activities
		2013 %	2012 %	
<u>Held by the Company</u>				
* Turquoise Offshore Pte Ltd	Singapore	100.00	100.00	Investment holding
* Jasper Adventurer Pte Ltd	Singapore	100.00	100.00	Owner of drilling rig
* Jasper Beacon Pte Ltd	Singapore	100.00	100.00	Owner of drilling rig
** JIL Ltd	British Virgin Islands	100.00	100.00	Investment holding
*** Amethyst Capital Ltd	Mauritius	90.00	90.00	Investment holding, treasury and finance
<u>Held by the Company's subsidiaries</u>				
*** Jasper Offshore (Cyprus) Ltd	Cyprus	98.11	98.11	Investment holding
* Neptune Marine & Drilling Pte Ltd	Singapore	98.11	98.11	Offshore drilling services
* Jasper Finder Pte Ltd	Singapore	98.11	98.11	Owner of drilling rig
* Jasper Explorer Pte Ltd	Singapore	98.11	98.11	Owner of drilling rig
* Jasper Drilling Pte Ltd	Singapore	98.11	98.11	Offshore drilling services
*** Jasper Explorer Plc	Cyprus	98.11	98.11	Investment holding
* Jasper Management Services Pte Ltd ⁽¹⁾	Singapore	98.11	-	Management services
* Jasper (Congo) Pte Ltd ⁽¹⁾	Singapore	98.11	-	Offshore drilling services

* Audited by Foo Kon Tan Grant Thornton LLP.

** Not required to be audited under the laws of the country of its incorporation.

*** Audited by member firm of Grant Thornton International Limited.

⁽¹⁾ Incorporated during the year.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

8 Trade and other receivables

	Group		Company		
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000 (Restated)	1 April 2011 US\$'000 (Restated)
Trade receivables	7,609	7,176	-	-	-
Deposits	797	869	17	87	74
Prepayments	541	1,785	5	70	6
Sundry debtors	973	145	94	109	100
Other debtors	2,093	2,173	-	-	-
	12,013	12,148	116	266	180
Allowance for impairment - sundry debtors	(92)	(92)	(92)	(92)	(92)
	11,921	12,056	24	174	88

Group and Company

The carrying amount of trade and other receivables individually determined to be impaired and the movements in the related allowance for impairment are as follows:

	Group		Company	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
<u>Sundry debtors</u>				
Balance at beginning and end of financial year	92	92	92	92

The ageing analysis of trade receivables past due but not impaired is as follows:

	Group		Company	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
Past due 0 to 3 months	432	7,177	-	-
Past due 3 to 6 months	-	-	-	-
Past due over 6 months	9,270	2,172	-	-
	9,702	9,349	-	-

Further details of credit risks on trade and other receivables are disclosed in Note 28.

9 Available-for-sale financial assets

	Group	
	2013 US\$'000	2012 US\$'000
Quoted equity shares:		
Balance at beginning	-	12,544
Disposed of during the year	-	(9,159)
Fair value adjustments in fair value reserves (Note 13)	-	(3,385)
Balance at end	-	-

This relates to quoted equity investment listed on the New York Stock Exchange. The fair value of the quoted equity investment is determined by reference to the bid prices of the stock exchange where the quoted equity shares are traded.

The quoted equity investments were disposed of in the previous financial year and the proceeds were used to repay bank borrowings. The security relating to the borrowings had been discharged.

10 Cash and bank balances

	Group		Company	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
Cash and cash equivalents	64,213	20,286	45,290	515

11 Asset held-for-sale

This relates to inventories not required in the drilling operations and the management has the intention to dispose of.

Details of the asset classified as held-for-sale are as follows:

	Group	
	2013 US\$	2012 US\$
Inventory	1,906	-
	1,906	-
Impairment of asset held-for-sale (Note 19)	(286)	-
	1,620	-

During the year, an impairment of US\$286,000 was recognised. This arose as the recoverable amount is lower than the carrying amount.

12 Share capital

	2013	2012	2013	2012
	Number of ordinary shares		US\$'000	US\$'000
Group and Company				
Issued and paid up, with no par value				
Balance at beginning	4,128,792,966	3,931,196,879	586,418	573,467
Issue of ordinary shares (a)	70,011,458	32,423,765	3,313	2,008
Issue of ordinary shares (b)	-	122,069,322	-	9,018
Issue of ordinary shares (c)	-	43,103,000	-	1,925
Balance at end	4,198,804,424	4,128,792,966	589,731	586,418

(a) During the financial year, the Company issued and allotted 70,011,458 (2012 - 32,423,765) new shares pursuant to the Company's Share Incentive Plan to directors and employees of the Group. Particulars of the Share Incentive Plan have been set out in the Directors' Report for the financial year ended 31 March 2013.

(b) In the previous financial year, the Company issued and allotted 122,069,322 new shares at an issue price of S\$0.096 to Hygrove Investments Limited. The proceeds raised were used to partially pay for the construction of the jack-up rigs.

(c) In the previous financial year, the Company issued and allotted 43,103,000 new shares at an issue price of S\$0.058 to DMG & Partners Securities Pte Ltd. The net proceeds raised were used to fund working capital for the Group and its subsidiaries.

The newly issued shares rank *pari passu* in all respects with existing issued shares.

The holders of ordinary shares are entitled to receive dividends as and when declared by the Company. All ordinary shares carry similar voting rights.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

12 Share capital (cont'd)

Share-based compensation

Share Options

The Share Option Plan, which was approved by the shareholders of the Company in July 2009, is administered by the RC.

Options are exercisable at a price based on the average of the last done prices for the shares of the Company on the Singapore Exchange Security Trading Limited for the three market days preceding the date of grant. The RC may at its discretion fix the exercise price at a discount not exceeding 20% to the above price.

Options granted shall be exercised on or after the first anniversary of the date of grant of these options but before the tenth anniversary of the date of grant of that option, except for options granted to a participant not holding a salaried office or employment in the Group in which case the expiry date is before the fifth anniversary of the date of the grant of that option. Options granted will be cancelled when the option holder ceases to be a full-time employee of the Company or any subsidiary of the Group subject to certain exceptions at the discretion of the Company.

Details of the options outstanding during the year are as follows:

	2013	2012
	Number of options	
Group and Company		
Outstanding at the beginning of financial year	10,000,000	17,000,000
Lapsed/cancelled	(5,000,000)	(7,000,000)
Outstanding at end of financial year	5,000,000	10,000,000

The exercise price for the outstanding options at the end of the reporting period was S\$0.13 (2012 – S\$0.13). The weighted average remaining contractual life for these options is 1.7 years (2012 – 2.7 years).

These fair values are determined using the Binomial pricing model. The significant inputs into the models are as follows:

Date of grant	18.11.2009
Prevailing share price at grant	S\$0.14
Exercise price	S\$0.13
Expected volatility	30%
Expected life	5 years
Risk free rate	1.37%
Expected dividend yield	Nil

The expected volatility is determined by calculating the historical share price of the Company over the previous 12 months. The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur.

13 Other reserves

	Group		Company	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
(a) Exchange translation reserve Balance at beginning and end	1,266	1,266	-	-
(b) Option reserve (Note 12) Balance at beginning	335	300	335	300
Movement during the year	(167)	35	(167)	35
Balance at end	168	335	168	335
(c) Other reserves Balance at beginning and end	2,982	2,982	-	-
(d) Fair value reserve Balance at beginning	-	3,385	-	-
Movement during the year (Note 9)	-	(3,385)	-	-
Balance at end	-	-	-	-
(e) Capital reserve Balance at beginning and end	91	91	-	-
Total other reserves	4,507	4,674	168	335

- (a) Exchange translation reserve arises from the translation of foreign subsidiaries' financial statements.
- (b) Option reserve arises from options that were issued on 18 November 2009. The Company has adopted the Binomial pricing model to value the options. The options were valued at approximately US\$320,000. Details of the options are set out in Note 12.
- (c) These reserves are not available for distribution as dividends. Other reserves principally represent reserves of subsidiaries which were capitalised as bonus issues in previous years.
- (d) Fair value reserve represents fair value adjustment on available-for-sale financial assets.
- (e) Capital reserve included a gain on acquisition of additional shares in subsidiary from non-controlling interests and dilution of non-controlling interests in the previous years.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

14 Borrowings

	Group		Company	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
Non-Current Liabilities				
Senior bonds - secured	162,040	161,352	-	-
Senior bonds bought back in August 2012	(4,940)	-	-	-
	157,100	161,352	-	-
Analysed as follows:				
Due later than one year and not later than five years	157,100	161,352	-	-
Due later than five years	-	-	-	-
	157,100	161,352	-	-

(a) Senior Bonds - secured

US\$165,000,000 Senior Secured Bonds due 27 May 2016

In May 2011, the Group issued US\$165 million Senior Secured Bonds with a coupon of 13.5% at par value.

The Senior Secured Bonds ("Senior Bonds") are secured, *inter alia*, by:

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

The Senior Bonds are subject to financial covenants which include:

- (i) maintenance of 1st interest payment amount to be set aside in escrow account; and
- (ii) maintenance of a minimum liquidity of at least US\$10 million.

In addition to the above financial covenants, there are other covenants typical for bonds of this nature which the Group has to observe. The amount of secured borrowings is shown net of transaction costs which will be amortised over the term of the Senior Bonds.

The Group may redeem the entire Senior Bonds (all or nothing) from May 2013 to May 2016 at various redemption prices stipulated in the terms of the Senior Bonds. The redemption price depends on the date of redemption, the aggregate principal amount of the Senior Bonds, the applicable premium plus accrued and unpaid interest. If the subsidiary, Jasper Offshore (Cyprus) Ltd experiences specific change of control events, the holders of the Senior Bonds will have the right to call for redemption immediately.

During the financial year, Senior Bonds of principal amount US\$6 million were bought back at US\$4.94 million from bondholders. The management does not intend to hold the bonds till maturity nor retire the bonds early.

14 Borrowings (cont'd)

(b) Term loans - secured

In May 2012, the Group obtained a US\$25.5 million secured term loan from a financial institution. The term loan has a tenor of 18 months. The security includes, *inter alia*, the following: -

- assignment of construction contracts relating to the jack-up rigs;
- corporate guarantee given by the Company; and
- pledge of the shares of certain subsidiaries.

In September 2012, the term loan was fully repaid and the security relating to the borrowing had been discharged.

The contractual maturities of the financial liabilities, including interest payments and excluding the impact of netting agreements is disclosed in Note 28.

15 Trade and other payables

	Group		Company		1 April
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000 (Restated)	2011 US\$'000 (Restated)
Trade payables	9,621	13,908	16	48	188
Advances received	-	221	-	-	-
Accrued expenses	10,205	4,315	58	81	126
Interest payable	7,673	7,611	-	-	-
Other payable	57	129	210	-	-
Sundry creditors	443	225	443	224	281
	27,999	26,409	727	353	595

Trade payables balances are normally on 30 days credit terms.

Included in accruals is US\$2.36 million (2012 - US\$Nil) due to Ashmore Investment Management Limited ("AIML"), the substantial shareholder of the Company. The non-trade balance represents fees for services provided by AIML.

16 Other income

	Group	
	2013 US\$'000	2012 US\$'000
Gain on disposal of available-for-sale financial assets	-	4,034
Net gain on disposal of jack-up rigs	63,710	-
Interest income	46	13
Write-back of payables	202	6,031
Miscellaneous income	302	-
	64,260	10,078

Write-back of payables mainly relates to the followings:

- Certain social contributions of US\$Nil (2012 - US\$4.1 million) of which the Group has been discharged of its payment obligation due to the cessation of its drilling contract and operations.
- The Group had reached a settlement with certain suppliers, resulting in accrual costs of US\$202,000 (2012 - US\$1.9 million) being written back to profit or loss.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

17 Other expenses

	Group	
	2013 US\$'000	2012 US\$'000
Foreign exchange loss	(285)	(182)
Fees for early redemption of bonds	-	(1,244)
Fees for termination of an equipment supply contract	-	(1,383)
Impairment charge on plant and equipment	(107)	-
Impairment charge on asset held-for-sale	(286)	-
Write-back of impairment of plant and equipment	-	1,383
Loss on disposal of plant and equipment	-	(938)
Amortisation of discount on bond	-	(500)
Repair and maintenance on drilling rig	(20,740)	-
Transaction charges on borrowings	(688)	(976)
Term loan transaction costs	(3,745)	-
Others	(805)	(81)
	(26,656)	(3,921)

18 Staff costs

	Group	
	2013 US\$'000	2012 US\$'000
Directors' remuneration (key management personnel)		
- Directors of the Company		
- salaries and related costs	2,932	1,943
- CPF contributions	5	5
- Directors of subsidiaries		
- salaries and related costs	2,690	1,538
- CPF contributions	33	22
Staff costs (excluding directors' remuneration):		
- salaries and related costs	12,580	9,843
- CPF contributions	138	122
	18,378	13,473
The staff costs are charged to the following:		
Included in administrative expenses	5,908	3,507
Included in cost of sales	10,419	7,817
Capitalised under rig newbuildings	2,051	2,149
	18,378	13,473

19 Loss before taxation

	Note	2013 US\$'000	Group 2012 US\$'000
Loss before taxation is stated after charging:			
Depreciation of plant and equipment	4	20,669	15,779
Directors' fees		441	218
Auditor fees			
- auditors of the Company and the Group		172	151
- other auditors		20	38

20 Taxation

	2013 US\$'000	Group 2012 US\$'000
Under/(over) provision of taxation in respect of prior years	198	(6,173)
	198	(6,173)

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on Group's loss as a result of the following:

	2013 US\$'000	Group 2012 US\$'000 (Restated)
Loss before taxation	(46,161)	(97,171)
Tax at statutory rate of 17% (2012 - 17%)	(7,848)	(16,519)
Tax effect on non-deductible expenses	17,673	24,064
Tax effect on non-taxable income	(11,522)	(6,157)
Deferred tax assets on temporary differences not recognised	222	-
Differences in foreign tax rates	1,475	(1,388)
	-	-

The Group has unutilised tax losses amounting to approximately US\$2.17 million (2012 - US\$6.46 million) which are subject to agreement with the respective tax authorities.

The unutilised tax losses of the Company and its Singapore incorporated subsidiaries can be carried forward for offsetting against future taxable income provided the provisions of Sections 23 and 37 of the Singapore Income Tax Act, Cap. 134 are complied with.

The income of a subsidiary, which arises from bareboat charter activities, is exempted from income tax in accordance with section 13A of Singapore Income Tax Act, Cap.134.

Unutilised tax benefits of US\$369,000 (2012 - US\$1.10 million) have not been recognised as the realisation in the future is uncertain.

In the previous financial year, the Group had finalised its tax obligation at 34% of net operating income under the Venezuela tax regime for its past drilling operations in Venezuela. The Group received a tax credit of US\$6.18 million which was the difference between withholding tax paid upfront to the tax authority at 30.6% on its gross revenue and its tax position at 34% on the net operating income. This tax credit was sold in the same financial year.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

21 Loss per share

Group

Basic loss per share is calculated by dividing the net loss after taxation and non-controlling interests for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted loss per share is calculated by dividing the net loss after taxation and non-controlling interests attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding and weighted average number of dilutive options during the year.

The following reflects the loss and data on issued shares used in the basic and diluted loss per share computations for the respective financial years ended 31 March:

	2013 US Cents	2012 US Cents (Restated)
Basic loss per share	(1.064)	(2.208)
Diluted loss per share	(1.064)	(2.208)

The calculation of loss per share attributable to ordinary equity holders of the Company is based on the following:

	2013 US\$'000	2012 US\$'000 (Restated)
Net loss attributable to ordinary shareholders of the Company	(44,398)	(89,268)

Number of shares used for the calculation of loss per share is as follows:

	No. (in thousands)	No. (in thousands)
Weighted average number of ordinary shares	4,171,944	4,043,791

In the current year, 5,000,000 options (2012 - 10,000,000 options) granted to employees under the Share Option Plan have not been included in the calculation of diluted loss per share because they are anti-dilutive.

22 Related party transactions

Group

In addition to the related party information disclosed elsewhere in the financial statements, the following are significant transactions with related parties at mutually agreed amounts:

	2013 US\$'000	2012 US\$'000
Short-term benefit costs to key management personnel (directors)	5,660	3,508
Services rendered by substantial shareholder of the Company	2,360	-

23 Capital commitments

As at end of the reporting period, the Group had the following capital commitments in respect of plant and equipment and inventories:

	2013 US\$'000	Group 2012 US\$'000
Expenditure authorised and not contracted for the overhauls and scheduled major maintenance projects	480	7,351
Expenditure authorised but not contracted for the purchase of inventories and equipment	-	357
Expenditure authorised and contracted for the construction of jack-up rigs, classified under construction-in-progress	-	289,458
Expenditure authorised and contracted for the conversion of semi-submersible to accommodation rig	79,835	74,188

24 Operating lease commitments (non-cancellable)

Operating lease commitments (as lessee)

As at end of the reporting period, the Group was committed to making the following payments under non-cancellable operating leases with a term of more than one year as follows:

	2013 US\$'000	Group 2012 US\$'000
Not later than one year	566	421
Later than one year and not later than five years	709	24

The leases on the Group's office premises on which rentals are payable will expire on 31 July 2015 and the current rent payable on the leases are US\$38,218 per month and are subject to revision on renewal or yearly revision.

The lease on the photocopiers on which rental are payable will expire earliest in January 2014 and latest in February 2016, subject to renewal. The current rent payable on the lease is approximately US\$184 to US\$297 per month, which is subject to revision on renewal.

25 Legal Matter

During the financial year, a subsidiary of the Group commenced legal proceedings against a customer, AGR Well Management Ltd ("AGR") in relation to the non-payment by AGR of certain invoices under a drilling contract signed in May 2011. AGR has filed its Defence and Counterclaim on the subsidiary. The subsidiary has also filed its pleadings, defending itself against AGR's counterclaims. As at the date of the financial report, the court proceedings have not commenced and the Group is unable to determine the probable outcome of this counterclaim. The management is of the view that no impairment is required on the undisputed invoices as they have been certified and accepted by the client.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

26 Contingent liabilities

Dispute with customer

A subsidiary of the Group had previously agreed to provide ship management services to a customer. Disputes arose between the subsidiary and the customer which resulted in the commencement of arbitral proceedings by the customer against the subsidiary. During the financial year, the Group reached settlement with the customer.

Dispute with suppliers

There were suppliers who had invoiced a subsidiary of the Group for services provided notwithstanding that the services have been terminated. As at the date of the report, the subsidiary has not heard from the suppliers with regards to payment for these invoices and the Group is unable to determine the outcome as any claims for payment of the invoices are not definite.

27 Operating segments

Segment information is provided as follows:

By business

Principal activities

Offshore drilling Drilling rigs owner and operator, provision of management services for the management of rigs.

Corporate Investment holding, management and other corporate assets.

Segment accounting policies are the same as the policies described in Note 2. The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices.

Revenues are attributed to geographic areas based on the location of the assets producing the revenues.

The following tables present revenue and profit information regarding industry segments for the years ended 31 March 2013 and 2012, and certain assets and liabilities information regarding industry segments as at 31 March 2013 and 2012.

27 Operating Segments (cont'd)

Business Segments

	Offshore Drilling		Corporate		Adjustments/ (Elimination)		Total continuing operations	
	2013 US\$'000	2012 US\$'000 (Restated)	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000 (Restated)
Segment revenue								
Sales to external customers	377	26,163	-	-	-	-	377	26,163
Total revenue	377	26,163	-	-	-	-	377	26,163
Segment result	(22,397)	(76,772)	(1,958)	495	-	-	(24,355)	(76,277)
Finance income	7	9	39	4	-	-	46	13
Finance costs	(21,852)	(20,907)	-	-	-	-	(21,852)	(20,907)
Loss before tax							(46,161)	(97,171)
Taxation							(198)	6,173
							(46,359)	(90,998)
Non-controlling interests, net of tax							1,961	1,730
Net loss for the year							(44,398)	(89,268)
Segment assets	463,246	550,360	45,847	4,464	-	-	509,093	554,824
Total assets	463,246	550,360	45,847	4,464	-	-	509,093	554,824
Segment liabilities	27,256	187,389	743	372	-	-	27,999	187,761
Taxation liabilities	18	-	-	41	-	-	18	41
Total liabilities	27,274	187,389	743	413	-	-	28,017	187,802
Other segment information:								
Capital expenditures	8,786	38,599	-	1	-	-	8,786	38,600
Depreciation of plant and equipment	20,630	15,720	39	59	-	-	20,669	15,779
Loss on disposal of plant and equipment	-	938	-	-	-	-	-	938
Impairment charge on plant and equipment	107	55,794	-	-	-	-	107	55,794
Impairment charge on asset held-for-sale	286	-	-	-	-	-	286	-
Net gain on disposal of jack-up rigs	63,710	-	-	-	-	-	63,710	-

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

27 Operating Segments (cont'd)

Geographical segments

The following table for the years ended 31 March 2013 and 2012 presents segment revenue and segment assets based on the geographical location of the drilling operations.

	Asia		Africa		Consolidated	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
Segment Revenue						
Sales to external customers	-	-	377	26,163	377	26,163
Total revenue	-	-	377	26,163	377	26,163
Other geographical information:						
Non-current assets	44	74,761	431,295	447,721	431,339	522,482
Capital expenditures	4,475	38,310	4,311	290	8,786	38,600

Revenue of US\$377,000 (2012 - US\$26.16 million) was derived from a single external customer. This revenue was attributable to the offshore drilling segment.

28 Financial risk management objectives and policies

The Group reviews its risk profile on a transactional basis. The Group does not hold or issue derivative financial instruments for trading purposes but may be a party to derivative financial instruments such as interest rate swaps and forward exchange contracts to hedge against fluctuations, if any, in interest rates or foreign exchange rates.

The Group's and the Company's exposure to financial risks associated with financial instruments held in the ordinary course of business include:

(a) Market risk

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

In addition to transactional exposures, the Group is also exposed to foreign exchange movements on its net investment in foreign subsidiaries. The Group does not hedge against translation exposures.

The Company's operational activities are carried out in United States Dollar, which is the functional currency. The currencies giving rise to this foreign currency risk are primarily Central African Franc, Singapore Dollar, Euro, Great Britain Pound, Norwegian Kroner and Venezuelan Bolivar Fuerte.

28 Financial risk management objectives and policies (cont'd)

Currency risk (cont'd)

The following table entails the Group's exposure at the end of the reporting period to currency risk arising from financial assets and liabilities denominated in currencies other than the functional currency of the entity to which they relate:

	31 March 2013					
	Central African Franc	Euro	Singapore Dollar	Great Britain Pound	Norwegian Kroner	Venezuelan Bolivar Fuerte
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Trade and other receivables	-	2,515	421	4,614	-	-
Cash and bank balances	153	10	716	-	-	3
Trade and other payables	-	(6,497)	(1,849)	(238)	(101)	-
	153	(3,972)	(712)	4,376	(101)	3

	31 March 2012					
	Central African Franc	Euro	Singapore Dollar	Great Britain Pound	Norwegian Kroner	Venezuelan Bolivar Fuerte
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Trade and other receivables	-	2,173	362	76	-	-
Cash and bank balances	-	-	1,548	-	-	4,217
Trade and other payables	-	(5,726)	(3,066)	(65)	(65)	-
	-	(3,553)	(1,156)	11	(65)	4,217

Sensitivity analysis

A 5% (2012 - 5%) strengthening of United States Dollar against the following currencies at the end of reporting period would increase/(decrease) the consolidated loss before tax as shown below:

	Consolidated Income Statement	
	2013	2012
	US\$'000	US\$'000
Central African Franc	8	-
Euro	(199)	(178)
Singapore Dollar	(36)	(58)
Great Britain Pound	219	1
Norwegian Kroner	(5)	(3)
Venezuelan Bolivar Fuerte	-*	211

*Less than US\$1,000

A 5% (2012 - 5%) weakening of the United States Dollar against the above currencies at 31 March would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

Cash flow and fair value interest rate risk

Cash flow interest rate risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group's exposure to the change in interest rates relates primarily to interest-bearing financial liabilities. Interest rate risk is managed by the Group on an on-going basis with the primary objective of limiting the impact of short-term fluctuation in the Group's earnings.

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

28 Financial risk management objectives and policies (cont'd)

Cash flow and fair value interest rate risk (cont'd)

As at the end of reporting period, the interest rate profile of the Group's interest-bearing financial instruments are as follows:

	2013 US\$'000	2012 US\$'000
Fixed rate instruments		
Financial liabilities	157,100	161,352

Sensitivity analysis

A 1% point increase in interest rate would increase the Group's loss before tax by approximately US\$1.57 million (2012 - US\$1.61 million).

On the other hand, a 1% point decrease in interest rate, with all other variables including tax rate being held constant, would have had the equal opposite effect on the amount shown above, on the basis that all other variables remain constant.

The following summarises the methods and assumptions used in estimating the fair value of financial instruments of the Group:

Other financial assets and liabilities

The notional amounts of financial assets and liabilities with a maturity of less than one year (including cash and cash equivalents, trade and other receivables and trade and other payables) are assumed to approximate their fair value because of the short period to maturity.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market.

The Group does not hold any quoted or marketable financial instruments, hence, is not exposed to any movement in market prices.

28 Financial risk management objectives and policies (cont'd)

(b) Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations. The Group's and the Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets, cash and bank balances, the Group and the Company minimises credit risk by dealing with reputable financial institutions.

For trade and other receivables, the Group performs periodic credit evaluations of its customers' financial condition but generally does not require collateral. Careful consideration is given to the reputation and trustworthiness of potential clients before the Group tenders for a project and enters into a contract.

The Group believes that its credit risk in trade and other receivables is mitigated substantially by its credit evaluation process, credit policies, and credit control and collection procedures.

The Group establishes an allowance for impairment that represents its estimates of incurred losses in respect of trade and other receivables. The collective loss allowance is determined based on historical data of payment statistic for similar financial assets.

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring its trade receivables on an on-going basis. The Group has a significant concentration of credit risk as a major client accounted for 99% (2012 - 100%) of the total outstanding trade receivables as at the end of the reporting period. This trade receivable of US\$7.2 million, which was due in early April 2012 consist of undisputed invoices for work that had been certified and accepted by the client. Management is of the view that no impairment is required, as disclosed in Note 25.

(c) Liquidity risk

Liquidity or funding risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group ensures that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

The following are the contractual maturities of financial liabilities, including interest payments and excluding the impact of netting agreements:

	31 March 2013			
	Carrying amount US\$'000	Contractual cash flows US\$'000	Less than 1 year US\$'000	Between 2-5 years US\$'000
Non-derivative financial liabilities				
Interest-bearing borrowings (Note 14)	(157,100)	(226,747)	(21,465)	(205,282)
Trade and other payables (Note 15)	(27,999)	(27,999)	(27,999)	-
	(185,099)	(254,746)	(49,464)	(205,282)

	31 March 2012			
	Carrying Amount US\$'000	Contractual cash flows US\$'000	Less than 1 year US\$'000	Between 2-5 years US\$'000
Non-derivative financial liabilities				
Interest-bearing borrowings (Note 14)	(161,352)	(257,579)	(22,275)	(235,304)
Trade and other payables (Note 15)	(26,409)	(26,409)	(26,409)	-
	(187,761)	(283,988)	(48,684)	(235,304)

Notes to the Financial Statements (Cont'd)

for the financial year ended 31 March 2013

29 Financial instruments

Fair values

The carrying amount of financial assets and liabilities with a maturity of less than one year is assumed to approximate their fair values.

The Group and the Company does not anticipate that the carrying amounts recorded at the end of reporting period would be significantly different from the values that would eventually be received or settled.

30 Other information required by the Singapore Exchange Securities Trading Limited

No material contracts to which the Company or any related company is a party and which involve Directors' or controlling shareholders' interest subsisted at, or have been entered into since the end of the financial year.

31 Capital management

The Group's objectives when managing capital are:

- (a) To safeguard the Group's ability to continue as a going concern;
- (b) To support the Group's stability and growth; and
- (c) To provide capital for the purpose of strengthening the Group's risk management capability.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholder returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group currently does not adopt any formal dividend policy.

Management monitors capital based on a net gearing ratio. The gearing ratio is calculated as net debt divided by shareholders returns. Net debt is calculated as borrowings less cash and cash equivalents.

	2013 US\$'000	2012 US\$'000
Senior Bonds	157,100	161,352
Less: Cash and cash equivalents	(64,213)	(20,286)
Net debt	92,887	141,066
Shareholder's equity	327,142	368,227
Gearing ratio	0.3	0.4

There were no changes in the Group's approach to capital management during the year.

The Company and its subsidiaries are not subject to externally imposed capital requirements other than as disclosed.

32 Comparative figures

Certain comparative figures have been reclassified to conform with current year's management reporting structure/presentation.

	Company		Company	
	31 March 2012 US\$'000 (Restated)	31 March 2012 US\$'000 (Reported)	1 April 2011 US\$'000 (Restated)	1 April 2011 US\$'000 (Reported)
<u>Statement of financial position</u>				
Trade and other receivables	174	331,648	88	290,698
Amount due from subsidiaries	331,474	-	290,610	-
Trade and other payables	353	15,468	595	2,717
Amount due to subsidiaries	15,115	-	2,122	-
	347,116	347,116	293,415	293,415

	Group	
	31 March 2012 US\$'000 (Restated)	31 March 2012 US\$'000 (Reported)
<u>Consolidated income statement</u>		
Cost of sales	(44,678)	(42,548)
Administrative expenses	(8,112)	(8,170)

Statistics of Shareholdings

As at 28 June 2013, the shareholdings of the Company are as follows:

SHARE CAPITAL

Number of shares	4,221,996,724
Class of shares	Ordinary
Voting Rights	1 vote per ordinary share

Note:

Subsequent to the financial year, the Company issued 23,192,300 ordinary shares pursuant to the Jasper Share Incentive Plan, thereby bringing the total share capital of the Company to 4,221,996,724 ordinary shares.

SUBSTANTIAL SHAREHOLDERS

(as shown in the Company's Register of Substantial Shareholders)

	No. of shares which Shareholders have an interest	
	Direct	Deemed
Morton Bay (Holdings) Pte Ltd	3,415,218,035	-
Ashmore Global Special Situations Fund 2 Limited	-	3,415,218,035
Ashmore Global Special Situations Fund 4 Limited Partnership	-	3,415,218,035
Asset Holder PCC No.2 Limited re Ashmore Asian Recovery Fund	-	3,415,218,035
Ashmore Investment Management Limited	-	3,415,218,035
Hygrove Investments Limited	242,784,478	-
Keppel Offshore & Marine Limited	-	242,784,478
Keppel Corporation Limited	-	242,784,478
Temasek Holdings(Private) Limited	-	242,784,478

Public Float

Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST") requires that at least 10% of the equity securities (excluding preference shares and convertible equity securities) of a listed company in a class that is listed is at all times held by the public. The Company has complied with this requirement. As at 28 June 2013, approximately 13.19% of its shares listed on the SGX-ST were held in the hands of the public.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 999	8,088	48.69	2,874,028	0.07
1,000 - 10,000	5,741	34.56	22,369,685	0.53
10,001 - 1,000,000	2,717	16.35	225,736,772	5.35
1,000,001 and above	66	0.40	3,971,016,239	94.05
Total:	16,612	100.00	4,221,996,724	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	DBS Nominees Pte Ltd	3,423,937,811	81.10
2	Hygrove Investments Limited	242,784,478	5.75
3	Cyber Express Enterprises Limited	40,000,000	0.95
4	OCBC Securities Private Ltd	36,000,558	0.85
5	Yeoh Seng Huat Geoffrey	31,718,013	0.75
6	United Overseas Bank Nominees Pte Ltd	17,919,766	0.42
7	Phillip Securities Pte Ltd	14,137,928	0.33
8	UOB Kay Hian Pte Ltd	11,269,360	0.27
9	Yap Chin Kok	10,000,000	0.24
10	Lee Mee Kium	8,763,341	0.21
11	Chew Suyin	7,598,000	0.18
12	HSBC (Singapore) Nominees Pte Ltd	7,396,240	0.18
13	Lim Chee San	5,226,000	0.12
14	Maybank Nominees (S) Pte Ltd	5,124,000	0.12
15	Morgan Stanley Asia (S'pore) Securities Pte Ltd	4,959,000	0.12
16	Cheng Yin Mui	4,875,080	0.12
17	Phillip Jeffrey Saile	4,624,000	0.11
18	Maybank Kim Eng Securities Pte Ltd	4,161,352	0.10
19	DBS Vickers Securities (S) Pte Ltd	3,881,040	0.09
20	Thomas Tan Keng Siong	3,361,000	0.08
Total:		3,887,736,967	92.09

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Company will be held at GV Vivocity 1 HarbourFront Walk #02-30 Vivocity Singapore 098585 on Friday, 26 July 2013 at 9.30 a.m. to transact the following business:

AS ORDINARY BUSINESS

To consider and, if thought fit, pass the following as ordinary resolutions, with or without modifications:

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 March 2013 together with the reports of the Directors and Auditor thereon. **(Resolution 1)**
2. To re-elect Ms Tan Yeelong, a Director who retires by rotation pursuant to Article 91 of the Company's Articles of Association. *(See Explanatory Note (i))* **(Resolution 2)**
3. To re-elect the following Directors, each of whom retires pursuant to Article 97 of the Company's Articles of Association:
 - (i) Mr John Sunderland
 - (ii) Mr Ng Chee Keong
 - (iii) Mr Paul Carsten Pedersen. *(See Explanatory Note (ii))* **(Resolution 3)**
4. To approve Directors' fees of S\$325,083 for the financial year ended 31 March 2013 (2012: S\$280,000). *(See Explanatory Note (iii))* **(Resolution 4)**
5. To approve Directors' fees of up to S\$362,000 for the financial year ending 31 March 2014 to be paid on a current year basis, quarterly in arrears. *(See Explanatory Note (iv))* **(Resolution 5)**
6. To re-appoint Foo Kon Tan Grant Thornton LLP as the Company's Auditor and to authorise the Directors to fix their remuneration. **(Resolution 6)**
7. To transact any other ordinary business that may properly be transacted at an Annual General Meeting.

AS SPECIAL BUSINESS

To consider and, if thought fit, pass the following as ordinary resolutions, with or without modifications:

8. Share Issue Mandate

That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "Companies Act") and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 50% of the total number of issued shares (excluding treasury shares) in the capital of the Company (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed 20% of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares) in the capital of the Company at the time of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any Instruments;
 - (ii) new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST ("SGX Listing Manual") for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in a general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier. *(See Explanatory Note (v))* **(Resolution 7)**

9. Issue and allotment of shares pursuant to the Jasper Share Option Plan and Jasper Share Incentive Plan

That authority be and is hereby given to the Directors to issue and allot shares in the capital of the Company as may be required to be issued pursuant to the exercise of options granted or to be granted under the Jasper Share Option Plan and/or vesting of awards granted or to be granted under the Jasper Share Incentive Plan (collectively with the Jasper Share Option Plan, the "Plans") provided that the aggregate number of shares to be issued pursuant to the Plans does not, in aggregate, exceed 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time. *(See Explanatory Note (vi))* **(Resolution 8)**

10. Renewal of Share Buy-Back Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company ("Share Buy-Backs") not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:-
 - (i) on-market Share Buy-Backs (each an "On-market Share Buy-Back") transacted on the SGX-ST; and/or
 - (ii) off-market Share Buy-Backs (each an "Off-market Share Buy-Back") effected otherwise than on the SGX-ST in accordance with any equal access schemes as may be determined or formulated by the Directors as they consider fit, which schemes shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with the applicable provisions of the Companies Act and the Listing Manual, be and is hereby authorised and approved generally and unconditionally (the "Share Buy-Back Mandate");

Notice of Annual General Meeting (Cont'd)

- (b) unless varied or revoked by the Company in a general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held or required by law to be held;
 - (ii) the date on which the Share Buy-Backs are carried out to the full extent mandated; or
 - (iii) the date on which the authority conferred by the Share Buy-Back Mandate is revoked or varied by the Company in a general meeting;

- (c) in this Resolution:

"Prescribed Limit" means 10% of the total number of Shares as at the date of passing of this Resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time);

"Relevant Period" means the period commencing from the date of the passing of this Resolution and expiring on the date the next Annual General Meeting is held or is required by law to be held, whichever is the earlier, after the date of this Resolution;

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commissions, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share, which shall not exceed:-

- (i) in the case of an on-market Share Buy-Back, 5% above the average of the closing market prices of the Shares over the last 5 market days on the SGX-ST on which transactions in the Shares were recorded, immediately preceding the day of the on-market Share Buy-Back by the Company, and deemed to be adjusted for any corporate action that occurs after such 5-day period; and
 - (ii) in the case of an off-market Share Buy-Back pursuant to an equal access scheme, 20% above the average of the closing market prices of the Share over the last 5 market days on the SGX-ST on which transactions in the Shares were recorded, immediately preceding the day on which the Company announces its intention to make an offer for the purchase of Shares from Shareholders, stating the purchase price for each Share and the relevant terms of the equal access scheme for effecting the off-market Share Buy-Back, and deemed to be adjusted for any corporate action that occurs after such 5-day period; and
- (d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated by this Resolution. (See *Explanatory Note (vii)*)

(Resolution 9)

11. Renewal of IPT Mandate

That:

- (a) approval be and is hereby given for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of Interested Person Transactions described in the addendum to this Annual Report ("Addendum"), with any party who is of the class or classes of Interested Persons described in the Addendum, provided that such transactions are made on normal commercial terms in accordance with the guidelines and procedures for review and administration of the Interested Person Transactions as described in the Addendum (the "IPT Mandate");
- (b) the IPT Mandate shall, unless revoked or varied by the Company in a general meeting, continue to be in force until the conclusion of the next Annual General Meeting of the Company.

- (c) the Audit Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the SGX Listing Manual which may be prescribed by the SGX-ST from time to time; and
- (d) the Directors of the Company and each of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they or he may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution. (See *Explanatory Note (viii)*) **(Resolution 10)**

By order of the Board

Ng Joo Khin / Lee Mee Kium
Joint Company Secretaries
10 July 2013

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two proxies to attend and vote in his stead. Where a member appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the proxy form. A proxy need not be a member of the Company.
2. An instrument appointing a proxy must be lodged at the registered office of the Company at 1 HarbourFront Place #03-01 HarbourFront Tower One Singapore 098633, not less than 48 hours before the time fixed for the Annual General Meeting.

Notice of Annual General Meeting (Cont'd)

Explanatory Notes

- (i) Ms Tan Yeelong is a Non-Executive Non Independent Director and member of the Nominating Committee.
- (ii) (a) Mr John Sunderland is a Non-Executive Non Independent Director. He is also the Chairman of the Company. He is also a member of the Audit and Remuneration Committees.
(b) Mr Ng Chee Keong is an Independent Director and the Chairman of the Nominating and Remuneration Committees. He will, upon re-election as a Director be considered independent for the purpose of Rule 704(8) of the SGX Listing Manual.
(c) Mr Paul Carsten Pedersen is the Executive Director and Chief Executive Officer of the Company.
- (iii) On an annualised basis, the total Directors' fees proposed for financial year ended 31 March 2013 is US\$362,000. However, as some of the Directors had only served part of the financial year, the Directors' fees are pro-rated according to the months served during the financial year.
- (iv) It is proposed that, with effect from financial year ending 31 March 2014, the Directors' fees are to be paid in the current financial year in four equal instalments, quarterly in arrears.
- (v) Ordinary Resolution 7, if passed, will authorise the Directors, from the date of this Annual General Meeting up to the date of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, to issue shares, make or grant instruments (such as warrants or debentures) convertible into shares and to issue shares pursuant to such instruments, up to a number not exceeding 50% of the total number of issued shares in the capital of the Company, of which up to 20% may be issued other than on a pro rata basis to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares, excluding treasury shares, in the capital of the Company at the time that this Resolution is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities; (b) new shares arising from the exercise of share options or vesting of share awards which are outstanding or subsisting at the time that this Resolution is passed; and (c) any subsequent bonus issue, consolidation or subdivision of shares.
- (vi) Ordinary Resolution 8, if passed, will authorise the Directors from the date of this Annual General Meeting up to the date of the next Annual General Meeting or the date by which the next Annual General Meeting is required by law to be held, to issue shares on the exercise of options granted under the Jasper Share Option Plan and the vesting of share awards under the Jasper Share Incentive Plan not exceeding (for the entire duration of the Plans) 15% of the total number of issued shares (excluding treasury shares) in the capital of the Company from time to time. The Plans will expire on 30 July 2019 unless extended by the Company in a general meeting.
- (vii) Ordinary Resolution 9, if passed, will authorise the Directors from the date of this Annual General Meeting up to the date of the next Annual General Meeting (unless revoked earlier) to purchase or otherwise acquire the Company's issued shares by way of market purchases or off-market purchases subject to and in accordance with the terms set out in the Addendum, the Companies Act, the SGX Listing Manual and such other laws and regulations as may for the time being applicable.
- (viii) Ordinary Resolution 10, if passed, will authorise the Company its subsidiaries and associated companies to enter into transactions with interested persons as defined in Chapter 9 of the SGX Listing Manual from the date of this Annual General Meeting up to the date of the next Annual General Meeting. Please refer to the Addendum for further information.

JASPER INVESTMENTS LIMITED

(Incorporated in the Republic of Singapore)
(Co. Reg. No. 198700983H)

PROXY FORM – ANNUAL GENERAL MEETING

IMPORTANT:

1. For investors who have used their CPF monies to buy Jasper Investments Limited shares, this Annual Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Annual General Meeting as observers must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to their CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

I/We _____ (Name)

of _____ (Address)

being a member/members of **JASPER INVESTMENTS LIMITED** (the "Company") hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

and/or (delete as appropriate)

Name	Address	NRIC/Passport Number	Proportion of Shareholdings (%)

as my/our proxy/proxies to attend and to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 26 July 2013 and at any adjournment thereof. I/We direct my/our proxy/proxies to vote for or against the resolutions to be proposed at the Meeting as indicated hereunder. If no specific direction as to voting is given, the proxy/proxies will vote or abstain from voting at his/their discretion, as he/they will on any other matter arising at the Meeting.

No.	Resolution relating to:	To be used on a show of hands		To be used in the event of a poll	
		For*	Against*	No. of Votes For**	No. of Votes Against**
1.	Adoption of Reports and Financial Statements				
2.	Re-election of Ms Tan Yeelong				
3(i).	Re-election of Mr John Sunderland				
3(ii).	Re-election of Mr Ng Chee Keong				
3(iii).	Re-election of Mr Paul Carsten Pedersen				
4.	Approval of Directors' Fees for FY2013				
5.	Approval of Directors' Fees for FY2014				
6.	Re-appointment of Auditor				
7.	Approval of the Share Issue Mandate				
8.	Authority to issue shares under the Jasper Share Option Plan and Jasper Share Incentive Plan				
9.	Renewal of the Share-Buy-Back Mandate				
10.	Renewal of Interested Person Transactions Mandate				

* Please indicate your vote "For" or "Against" with a tick (✓) in the box provided.

** If you wish to exercise all your votes "For" or "Against", please tick (✓) within the box provided. Alternatively, please indicate the number of votes as appropriate.

Dated this _____ day of _____ 2013

Total number of shares

Signature(s) of Member(s)/Common Seal

IMPORTANT: PLEASE READ NOTES OVERLEAF

Notes

1. A member entitled to attend and vote at the Meeting is entitled to appoint one or two proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportion of his holding (expressed as a percentage of the whole) to be represented by each proxy.
3. Completion and return of this instrument appointing a proxy shall not preclude a member from attending and voting at the Meeting. Any appointment of a proxy or proxies shall be deemed to be revoked if a member attends the Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the instrument of proxy, to the Meeting.
4. A member should insert the total number of shares held. If the member has shares entered against his name in the Depository Register (as defined in Section 130A of the Companies Act, Cap. 50 of Singapore), he should insert that number of shares. If the member has shares entered against his name in the Register of Members, he should insert that number of shares. If the member has shares entered against his name in the Depository Register and registered in his name in the Register of Members, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the member.
5. The instrument appointing a proxy or proxies must be deposited at the Company's registered office at 1 HarbourFront Place #03-01 HarbourFront Tower One Singapore 098633 not less than 48 hours before the time set for the Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

General

The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Meeting, as certified by The Central Depository (Pte) Limited to the Company.

