



RAFFLES CAPITAL LIMITED
ACN 009 106 049

APPENDIX 4E
ASX PRELIMINARY UNAUDITED FINAL REPORT – 31 DECEMBER 2013
(CORRESPONDING PERIOD – YEAR ENDED 31 DECEMBER 2012)

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The interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2012 and any public announcements made by Raffles Capital Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

CORPORATE DIRECTORY**Raffles Capital Limited**

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ABN 66 009 106 049

Registered and Corporate Office

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Sydney NSW 2000
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Bankers

St George Bank Limited
Level 14, 182 George St
Sydney NSW 2200
Telephone: +61 2 9236 2230

Directors

Tan Sri Ibrahim Menudin (Non-Executive Chairman)
Vincent Tan (Chief Executive Officer)
Richard Yap
Benjamin Amzalak

Joint Company Secretaries

Henry Kinstlinger
Julian Rockett

Share Registry

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Level 3
60 Carrington Street
Sydney NSW 2000
Australia
Telephone: 1300 850 505

ASX Code – RAF

Raffles Capital Limited shares are listed on the Australian Securities Exchange.

This financial report covers the Consolidated Entity consisting of Raffles Capital Limited and its controlled entities.

Raffles Capital Limited is a company limited by shares, incorporated and domiciled in Australia.

PRELIMINARY FINAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2013
(PREVIOUS CORRESPONDING PERIOD: YEAR ENDED 31 DECEMBER 2012)

RESULTS FOR ANNOUNCEMENT TO THE MARKET

				\$
Revenue from continuing operations	Down	67.8%	to	77,348
Profit/(Loss) after income tax from continuing operations	Down	133.1%	to	(1,962,038)
Net profit/(loss) for the period attributable to members	Down	133.1%	to	(1,962,038)

Dividends/distributions	Amount per security	Franked amount per security
Final dividend	\$Nil	N/A
Interim dividend	\$Nil	N/A

Explanation of revenue and Profit/(Loss) from ordinary activities after tax

The decrease in profit was mainly due to impairment loss of the group's investment portfolio.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the Year Ended 31 December 2013

	Notes	Consolidated	
		2013	2012
		\$	\$
Revenue from continuing operations	2	77,348	240,158
Other income	2	30	364,861
Administration expenses and impairment loss	3	(1,645,348)	(667,066)
Finance expenses		(579,160)	(69,584)
Profit/(loss) before income tax		(2,147,130)	(131,631)
Tax credit/(expenses)		185,092	-
Profit/(loss) after tax for the year		(1,962,038)	(131,631)
Other Comprehensive Income			
Change in fair value-Investment		-	8,654,408
Tax Expenses		-	(2,596,323)
Other comprehensive income for the year net of tax		-	6,058,085
Total Comprehensive income for the year		(1,962,038)	5,926,454
Minority Interest		-	-
Total Comprehensive Income/(loss) attributable to members of Raffles Capital Limited		(1,962,038)	5,926,454
		Cents	Cents
Basic earnings/(loss) per share	7	(8.28)	25.01
Diluted earnings(loss) per share	7	(8.28)	25.01

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF FINANCIAL POSITION
as at 31 December 2013

		Consolidated	
	Notes	2013 \$	2012 \$
ASSETS			
Current assets			
Cash and cash equivalents	5	16,977	8,563
Trade and other receivables		21,494	13,743
Financial assets		5,130,717	3,239,687
Other current assets		412	427
Total current assets		<u>5,169,600</u>	<u>3,262,420</u>
Non-current assets			
Trade and other receivables		-	-
Financial assets		13,620,240	17,481,501
Plant and Equipment		794	1,128
Other non-current assets		185,092	-
Total non-current assets		<u>13,806,126</u>	<u>17,482,629</u>
Total Assets		<u>18,975,726</u>	<u>20,745,049</u>
LIABILITIES			
Current liabilities			
Trade and other payables		64,758	2,199,559
Provisions and accruals		11,130	-
Total current liabilities		<u>75,888</u>	<u>2,199,559</u>
Non-current liabilities			
Other payables		2,316,386	-
Deferred tax liabilities		2,596,323	2,596,323
Total non-current liabilities		<u>4,912,709</u>	<u>2,596,323</u>
Total Liabilities		<u>4,988,597</u>	<u>4,795,882</u>
Net Assets		<u>13,987,129</u>	<u>15,949,167</u>
EQUITY			
Issued Capital		11,698,002	11,698,002
Reserves		-	-
Retained profits / (accumulated losses)		2,289,127	4,251,165
Total equity attributable to equity holder of parent entity		<u>13,987,129</u>	<u>15,949,167</u>
Minority Interest		-	-
Total Equity		<u>13,987,129</u>	<u>15,949,167</u>

The above statement should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY
for the Year Ended 31 December 2013

Consolidated	Issued Capital	Reserves	Retained Profits	Minority Interest	Total Equity
	\$	\$	\$	\$	\$
At 1 January 2013	11,698,002	-	4,251,165	-	15,949,167
Profit/(loss) for the year	-	-	(1,962,038)	-	(1,962,038)
Movement for the year	-	-	-	-	-
At 31 December 2013	11,698,002	-	2,289,127	-	13,987,129
At 1 January 2012	11,698,002	940,292	(1,675,289)	1,058,720	12,021,725
Profit for the year	-	-	5,926,454	-	5,926,454
Movement for the year	-	(940,292)	-	(1,058,720)	(1,999,012)
At 31 December 2012	11,698,002	-	4,251,165	-	15,949,167

The above statements should be read in conjunction with the accompanying notes.

STATEMENT OF CASHFLOW
for the Year Ended 31 December 2013

	Notes	Consolidated	
		2013	2012
		\$	\$
Cash flows from operating activities			
Receipt from customer		77,300	240,000
Payments to suppliers and employees		(814,172)	(694,040)
Interest received		418	159
Income taxes (paid)/refunded		-	-
Net cash (outflow)/inflow from operating activities	6	(736,454)	(453,881)
Cash flows from investing activities			
Acquisition of Investment		(55,386)	(2,220,706)
Proceeds from sale of investment		714,923	400,000
Acquisition of plant and equipment		-	-
Advance from/repayment from other parties		767,386	2,125,000
Repayment to other parties		(682,055)	-
Advance from controlled parties		-	-
Net cash inflow/ (outflow) from investing activities		744,868	304,294
Cash flows from financing activities			
Share issued - parent entity		-	-
Share issue cost - parent entity		-	-
Share issued - controlled entity		-	-
Share issue cost - controlled entity		-	-
Repayment of borrowing/deposit paid		-	-
Net cash inflow/(outflow) from financing activities		-	-
Net (decrease)/increase in cash and cash equivalents		8,414	(149,587)
Cash and cash equivalents at the beginning of the financial period		8,563	158,150
Cash and cash equivalents at the end of the financial period	5	16,977	8,563

The above statement should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

for the Year Ended 31 December 2013

1 ACCOUNTING POLICIES, ESTIMATION METHODS AND MEASUREMENT BASIS

Accounting policies, estimation methods and measurement bases used in this Appendix 4E are the same as those used in the last annual report and the last half year report.

2 REVENUE FROM CONTINUING OPERATIONS

	Consolidated	
	2013	2012
	\$	\$
From continuing operations		
Fee Income	77,300	240,000
Interest Income	48	158
	77,348	240,158
Other Income		
Gain on disposal of equity investment	-	45,888
Sundry income	30	318,973
	30	364,861

3 EXPENSES

	Consolidated	
	2013	2012
	\$	\$
Profit/(loss) before income tax is arrived after (charging)/crediting the following specific expenses:		
Administration Expenses		
Director and employee cost	-	-
Consulting and professional fees	(213,235)	(188,490)
Impaired Loss	(849,261)	-
Finance expenses		
Interest Paid	(106,081)	(41,581)
Loss on disposal of Investment	(462,151)	-

4 DIVIDENDS

The Directors do not recommend a dividend relating to the year ended 31 December 2013 (2012: \$nil) to be paid.

5 CASH AND CASH EQUIVALENTS

	Consolidated	
	2013	2012
	\$	\$
Cash at bank and on hand	16,977	8,563
Deposits at bank	-	-
	16,977	8,563

NOTES TO THE FINANCIAL STATEMENTS continued

6 RECONCILIATION OF PROFIT/(LOSS) AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	Consolidated	
	2013	2012
	\$	\$
Profit/(loss) after income tax	(1,962,038)	(131,631)
Deconsolidated of controlled entities	-	(318,973)
Gain/loss on disposal of investment and fair value movement	1,311,412	(45,888)
Change in operating assets and liabilities		
Decrease (increase) in receivables	(130,331)	40,807
Increase (decrease) in trade creditors	44,503	1,804
Increase (decrease) in income tax payable	-	-
Net cash (outflow)/inflow from operating activities	<u>(736,454)</u>	<u>(453,881)</u>

7 EARNINGS PER SHARE

	Consolidated	
	2013	2012
	Cents	Cents
Basic earnings/(loss) per share	(8.28)	25.01
Diluted earnings/(loss) per share	(8.28)	25.01

Reconciliations of earnings used in calculating earnings per share

	Consolidated	
	2013	2012
	\$	\$
Total Comprehensive Income/(loss)	<u>(1,962,038)</u>	5,926,454
Total Comprehensive Income attributable to the ordinary equity holders of the company used in calculating basic earnings per share and diluted earnings per share	<u>(1,962,038)</u>	<u>5,926,454</u>

Earnings used to calculate basic earnings per share are equal to net profit, therefore no reconciliation is required.

Weighted average number of shares used as the denominator

	Consolidated	
	2013	2012
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share and diluted earnings per share	<u>23,700,359</u>	23,700,359

NOTES TO THE FINANCIAL STATEMENTS continued**8 CONTINGENT LIABILITIES AND COMMITMENT****Guarantees**

Cross guarantees by Raffles Capital Limited and its wholly owned controlled entities exist in respect of loans. No deficiency of assets exists in the consolidated entity as a whole. No material losses are anticipated in respect of any of the above contingent liabilities.

Commitments

There are no material commitments as at the date of the report on minimum exploration expenditure commitments and lease payments on the Company's exploration tenements.

9 EVENTS OCCURRING AFTER REPORTING DATE

At the date of this report there are no matters or circumstances, other than noted above, which have arisen since 31 December 2013 that have significantly affect or may significantly affect:

- The operations, in the financial year subsequent to 31 December 2013 of the Group;
- The results of those operations;
- The state of affairs, in the financial year subsequent to 31 December 2013 of the Group.

10 SEGMENT NOTE

The consolidated entity operates predominately in one business and one geographical segment being investment in commercial properties, mining and resources within Australia.

SUPPLEMENTARY APPENDIX 4E INFORMATION

NTA Backing

	31/12/2013	31/12/2012
Net tangible asset backing per ordinary share	59.0 cents	67.30 cents

Controlled entities acquired during the period

No entities have been acquired during the reporting period.

Loss of control of entities during the period

No entities were disposed during the reporting period.

Subsequent Events

There have been no other events subsequent to reporting date which affects the results contained in this report or the continuing operations of the Group.

Accounting Standards

Australian Accounting Standards have been used in the preparation of this report.

Commentary on results

The consolidated entity has a long term strategic investment in equity interests within the Group and revenue has been received from sales of equity investments. The increase in revenue is consistent with previous year result.

Current year result is consistent with last year result.

Other Significant Information

All significant information in relation to the financial performances and position of Raffles Capital Limited has been disclosed in the attached report.

Returns to shareholders

No distributions/dividend this year. The Company has no dividend reinvestment plan.

Results of segments

The consolidated entity operates predominately in one business and one geographical segment being investment in commercial properties, mining and resources within Australia.

Audit Report

This report is based upon financial statements which are in the process of being audited, and therefore no audit report has been attached.