



GALLANT VENTURE LTD.

Annual General Meeting

28 April 2017

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Financial Highlights

Restatement for FY2014 and FY2015

The issues identified in the Advisory Letter are specific to the Relevant Accounting Standards and arise out of **bona fide differences in the interpretation of the Relevant Accounting Standards** in respect of which the Auditors of the Company were involved. The Restated and Re-Audited FY2014 Financial Statements and **Restated and Re-Audited FY2015 Financial Statements** are required by ACRA **to comply with their technical opinion on the Relevant Accounting Standards, the application of which requires judgment**. However, in the interest of achieving closure of the matter, the Company has voluntarily complied with the Advisory Letter and together with its Auditors has proceeded with the restatement and re-audit of the Original FY2014 Financial Statements and Original FY2015 Financial Statements. The Company wishes to highlight that compliance with ACRA's requirements relates to past events and arising from such compliance, the Restated and Re-Audited FY2014 Financial Statements and the Restated and Re-Audited FY2015 Financial Statement reflect net losses of S\$6,236,000 (as compared to a net profit position of S\$4,346,000 under the Original FY2014 Financial Statements), and S\$163,376,000 (as compared to a net loss position of S\$126,047,000 under the Original FY2015 Financial Statements), respectively. However, on the same basis, the divestment of the Group's investment in MSL as announced on 25 April 2016 has now been treated in the financial statements for the financial year ended 31 December 2016 ("**FY2016 Financial Statements**") as a disposal of a subsidiary which gave rise to a gain in the FY2016 Financial Statements.

Financial Highlights

Restatement for FY2014 and FY2015 (Issues)

Issue 1 : Classification of Currency Translation

Company	• Translation differences taken as adjustments to the profit before tax
ACRA	• Translation differences should not be taken as adjustments to the profit before tax

Issue 2 : Bond Accounting

Company	• IMAS Acquisition related bond fair value differences were taken into P&L
ACRA	• Fair value differences should be offset against goodwill arising from acquisition of PT IMAS

Issue 3 : Classification of Non-Controlling Interest

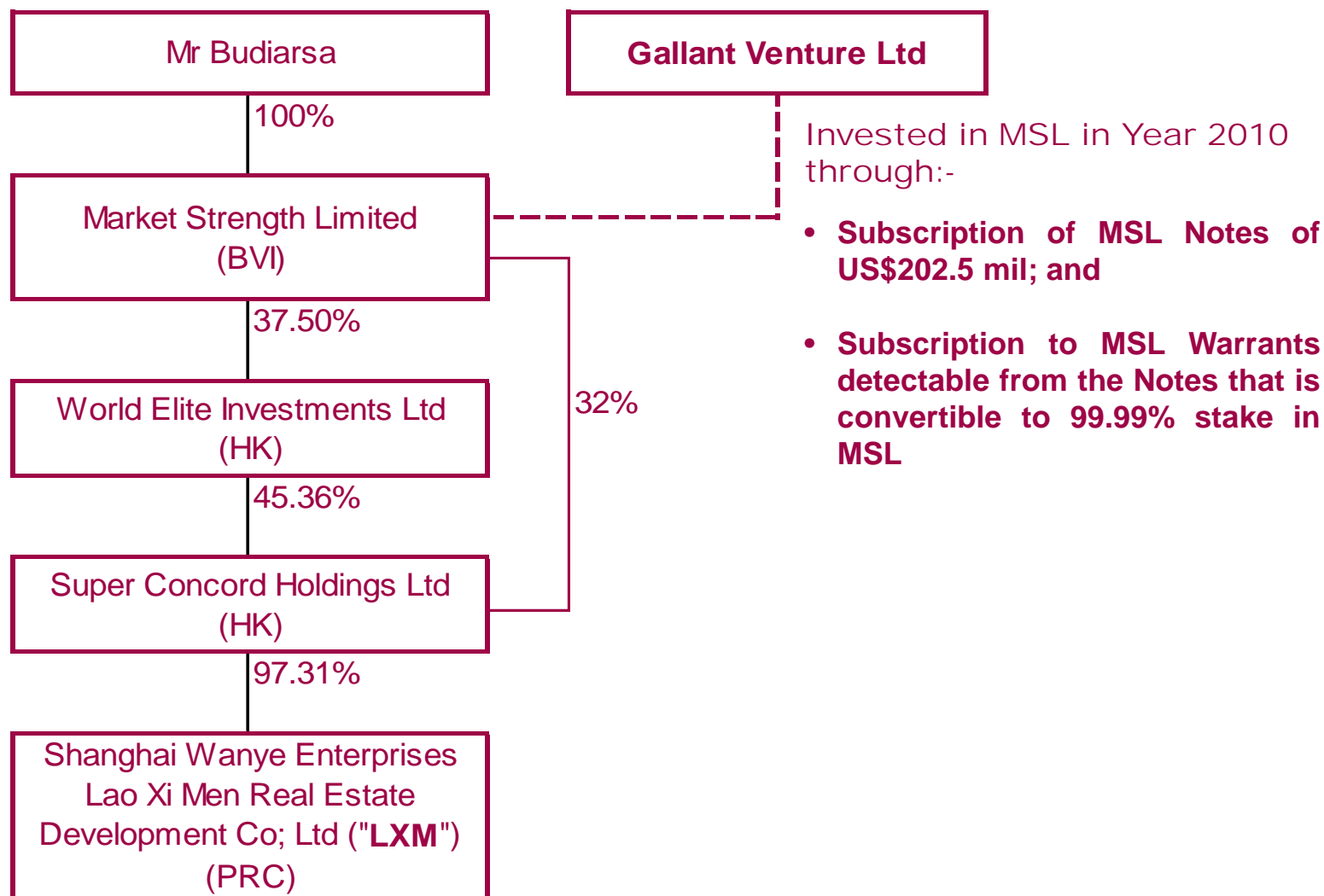
Company	• No adjustment to non-controlling interest of 19.14% after finalisation of PPA
ACRA	• Adjustment to be made to non-controlling interest of 19.14% after finalisation of PPA

Issue 4 : Consolidation of Market Strength Limited (MSL) as subsidiary

Company	• Investment in MSL Notes was recorded as non-current assets
ACRA	• To consolidate MSL as subsidiary of the Group

Financial Highlights

Restatement for FY2014 and FY2015 (Investment in MSL)



Financial Highlights (cont'd)

Results Highlight

(S\$ million)	FY2014 (Original)	FY2014 (Restated)	FY2015 (Original)	FY2015 (Restated)	FY2016 (Actual)	FY2015 vs FY2016
Revenue	2,328.3	2,328.3	2,028.1	2,028.1	1,715.8	-15.4%
Gross Profit	381.4	381.4	312.9	312.9	307.8	-1.6%
Other income/(expenses)	120.0	113.8	83.4	59.0	281.7	377.5%
Expenses ⁽¹⁾	316.2	316.3	332.1	336.7	379.6	12.7%
Finance costs	131.6	131.6	145.2	145.2	132.7	-8.6%
Net Profit/(loss) after tax	4.3	(6.2)	(126.0)	(163.4)	41.8	N.M
Net Profit/(loss) attributable to Equity Holders	7.5	(3.1)	(107.5)	(144.9)	72.2	N.M
EBITDA	250.3	250.3	140.4	119.1	300.5	152.3%

(1) Includes General & administrative expenses and operating expenses

(2) N.M denotes not meaningful

Financial Highlights (cont'd)

Restatement for FY2014 and FY2015 (P&L & BS impact on restatement)

(S\$ million)	2014 Original	Issue 2 Bond Accounting	Issue 3 Non- Controlling interest	Issue 4 Consol MSL	2014 Restated
Intangible assets	805.0	(20.6)	-	-	784.4
Associates	239.4	-	-	230.9	470.3
Other non-current assets	646.1	-	-	(379.4)	266.7
Other non-current liabilities	73.9	-	-	6.6	80.5
Reserves	28.4	-	(187.5)	16.4	(142.7)
(Accumulated losses)/retained profits	102.0	(20.6)	-	(171.5)	(90.0)
Non-controlling interests	174.5	-	187.5	-	362.0
(Loss)/profit after taxation	4.3	-	-	(10.6)	(6.2)
(Loss)/profit attributable to equity holders of Company	7.5	-	-	(10.6)	(3.1)

Note: Issue 1 only affected the reclassification of the line items for Statement of Cash Flows

Financial Highlights (cont'd)

Restatement for FY2014 and FY2015 (P&L & BS impact on restatement)

(S\$ million)	<u>2015</u> Original	<u>Issue 2</u> Bond Accounting	<u>Issue 3</u> Non- Controlling interest	<u>Issue 4</u> Consol MSL	<u>2015</u> Restated
Intangible assets	788.7	(20.6)	-	-	768.1
Associates	215.4	-	-	235.3	450.7
Other non-current assets	627.0	-	-	(407.5)	219.5
Other non-current liabilities	35.5	-	-	7.1	42.6
Reserves	(176.8)	-	-	29.6	(147.2)
(Accumulated losses)/retained profits	(5.5)	(20.6)	-	(208.8)	(234.9)
Non-controlling interests	336.4	-	-	-	336.4
(Loss)/profit after taxation	(126.0)	-	-	(37.4)	(163.4)
(Loss)/profit attributable to equity holders of Company	(107.5)	-	-	(37.4)	(144.9)

Note: Issue 1 and 3 had been rectified by the Company in its 2015's financial statements

Financial Highlights (cont'd)

Results Highlight – Balance Sheet

(S\$ million)	(Restated) 31 Dec 2014	(Restated) 31 Dec 2015	(Actual) 31 Dec 2016
Non-current assets	2,764.1	2,686.7	2,466.6
Current assets	2,092.6	2,076.6	2,293.6
Total assets	4,856.7	4,763.3	4,760.2
Non-current liabilities	1,490.9	1,292.6	1,435.0
Current liabilities	1,356.4	1,636.4	1,458.4
Total liabilities	2,847.3	2,929.0	2,893.4
Cash & Cash Equivalents	161.3	201.9	425.4
Total Debt	2,240.2	2,383.5	2,437.5
Total Equity	2,009.4	1,834.4	1,866.8
Gross Gearing	136.0%	159.1%	157.3%
Net Gearing	126.2%	145.6%	129.9%
Net Asset value per share (S\$ cents)	34.14	31.05	32.11

Segment Performance

Automotive

Automotive

(S\$ million)	31 Dec 2015	31 Dec 2016	Change
Revenue	1,864.6	1,555.3	-16.6%
EBITDA	89.8	48.0	-46.5%
NPAT	(68.2)	(97.0)	-42.2%
Total Assets	1,644.9	1,660.0	0.9%

Revenue



- Lower passenger vehicle sales
- Lower heavy duty truck and equipment

EBITDA



- Lower revenue
- Lower incentive from car manufacturer
- Partially offset by one-time gain on disposal non-core investment in 2015

NPAT



- In line with lower revenue
- Offset by lower deferred tax expenses

Segment Performance

Utilities

Utilities

(S\$ million)	31 Dec 2015	31 Dec 2016	Change
Revenue	104.8	100.2	-4.4%
EBITDA	38.6	45.1	16.8%
NPAT	6.5	9.3	43.1%
Total Assets	166.1	174.0	4.8%

Revenue



- Lower operating hours in our tenants' facilities

EBITDA



- Higher margin due to lower fuel costs

NPAT

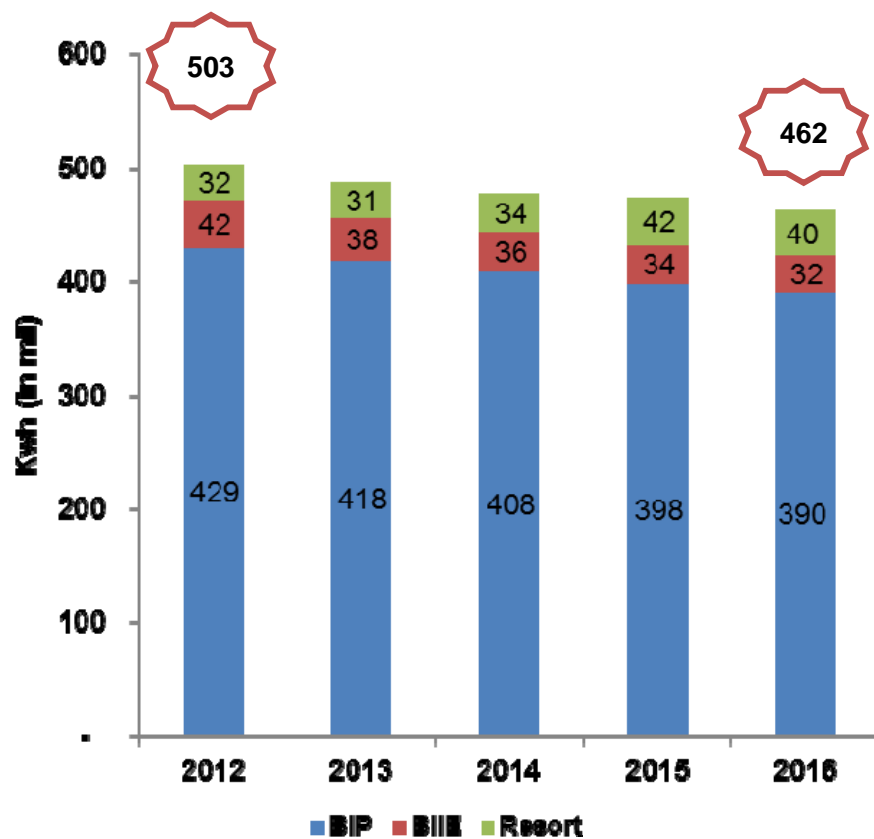


- Higher margin but offset by higher tax expenses

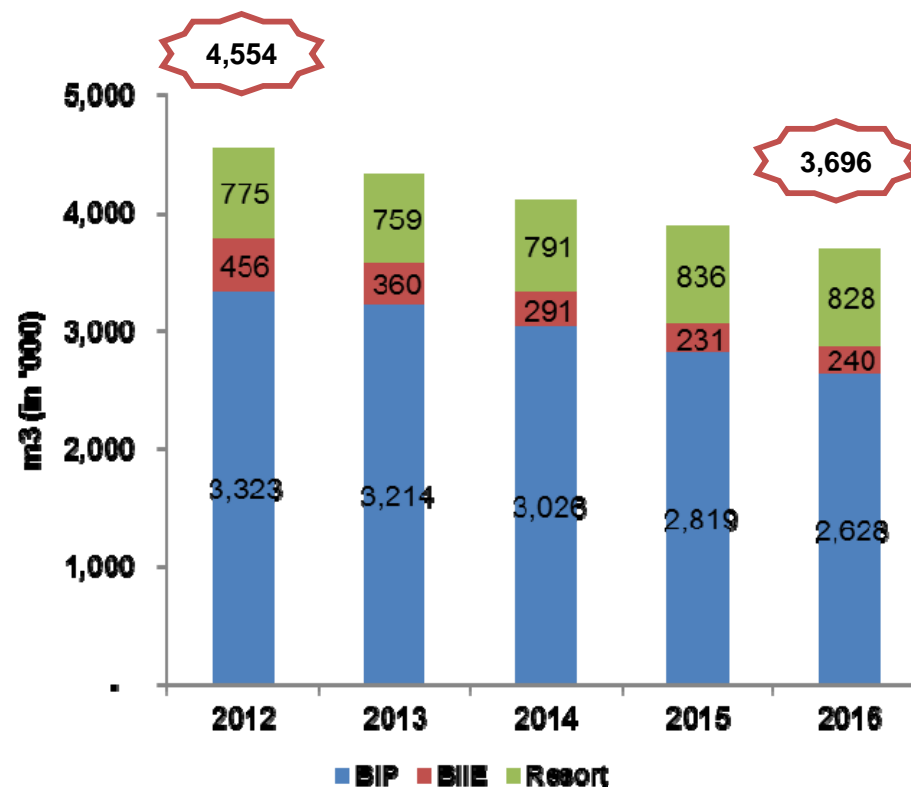
Segment Performance (cont'd)

Utilities (cont'd)

Electricity Production



Water Processed



Segment Performance

Industrial Parks

Industrial Parks

(S\$ million)	31 Dec 2015	31 Dec 2016	Change
Revenue	37.5	40.0	6.7%
EBITDA	20.3	17.2	-15.3%
NPAT	(14.8)	(12.5)	15.5%
Total Assets	206.3	150.0	-27.3%

Revenue



- Factory sales of S\$4.1 mil but offset by lower rental income

EBITDA



- Lower rental income from factory and dormitory

NPAT

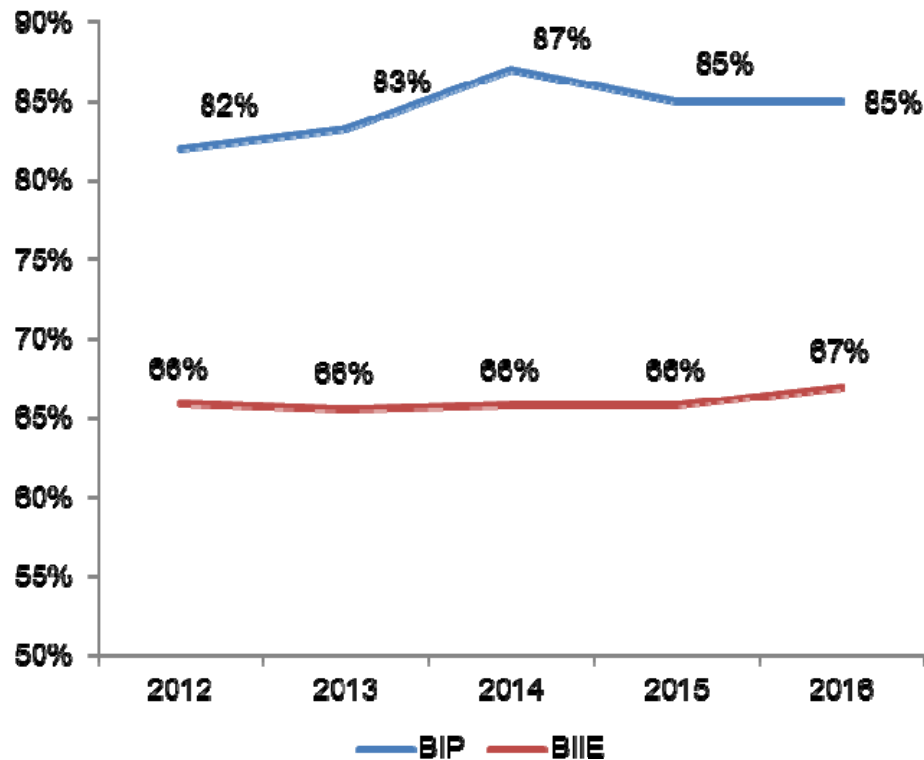


- Lower depreciation and tax expenses

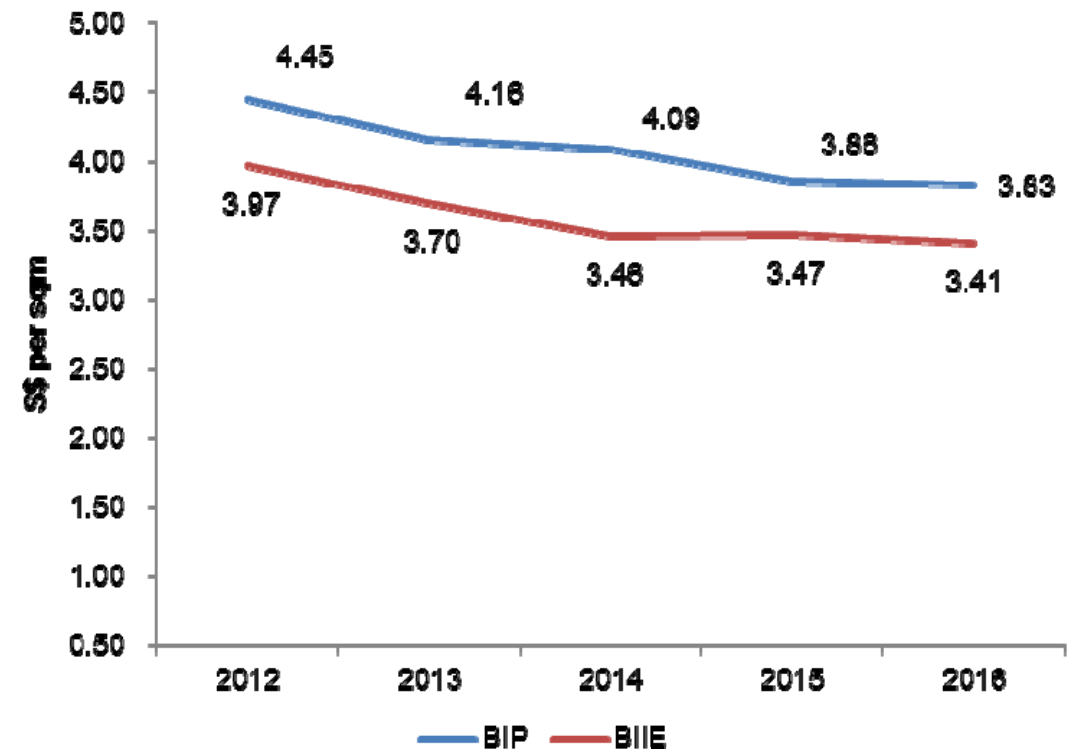
Segment Performance (cont'd)

Industrial Parks (cont'd)

Factory Occupancy Rate



Average Rental Rate



Segment Performance

Resort Operations

Resort Operations

(S\$ million)	31 Dec 2015	31 Dec 2016	Change
Revenue	21.2	20.3	-4.2%
EBITDA	2.9	0.2	-93.1%
NPAT	(5.2)	(6.8)	-30.8%
Total Assets	34.6	38.0	9.8%

Revenue



- Lower revenue from ferry services

EBITDA



- Lower ferry's revenue
- Higher operating expenses

NPAT



- In line with lower revenue
- Offset by lower financing expenses

Segment Performance (cont'd)

Resort Operations (cont'd)

BINTAN RESORTS

Tourist Arrival:

676,034 pax
+22% from 2015

New Hotels:

- Pantai Indah Holiday Villa
- Lagoi Bay Villa

Lagoi Bay:

- Several new developments
- Plaza Lagoi Mall with 20 shops

Events:

- Rose Wedding
- Tour de Bintan
- Reebok Spartan Race
- Bintan MoonRun

Activities:

- Lagoi Bay Lantern Park
- “Odong-dong”, Segway
- Jet Ski
- Kayaks, snorkeling
- Bazaar
- Outdoor food fair

Coming soon:

- Bintan Market Place
- Alila Resorts
- Doulos Phos
- Heritage
- Four Points by Sheraton

Next Infrastructure Project: Bintan Airport

Segment Performance

Property Development

Property Development

(S\$ million)	31 Dec 2015	31 Dec 2016	Change
Revenue	0.1	-	N.M
EBITDA	(9.9)	(9.3)	6.1%
NPAT	(9.7)	(9.6)	1.0%
Total Assets	697.1	675.0	-3.2%

Revenue

- No resort land sales recognised during the year

EBITDA



- Lower operating expenses

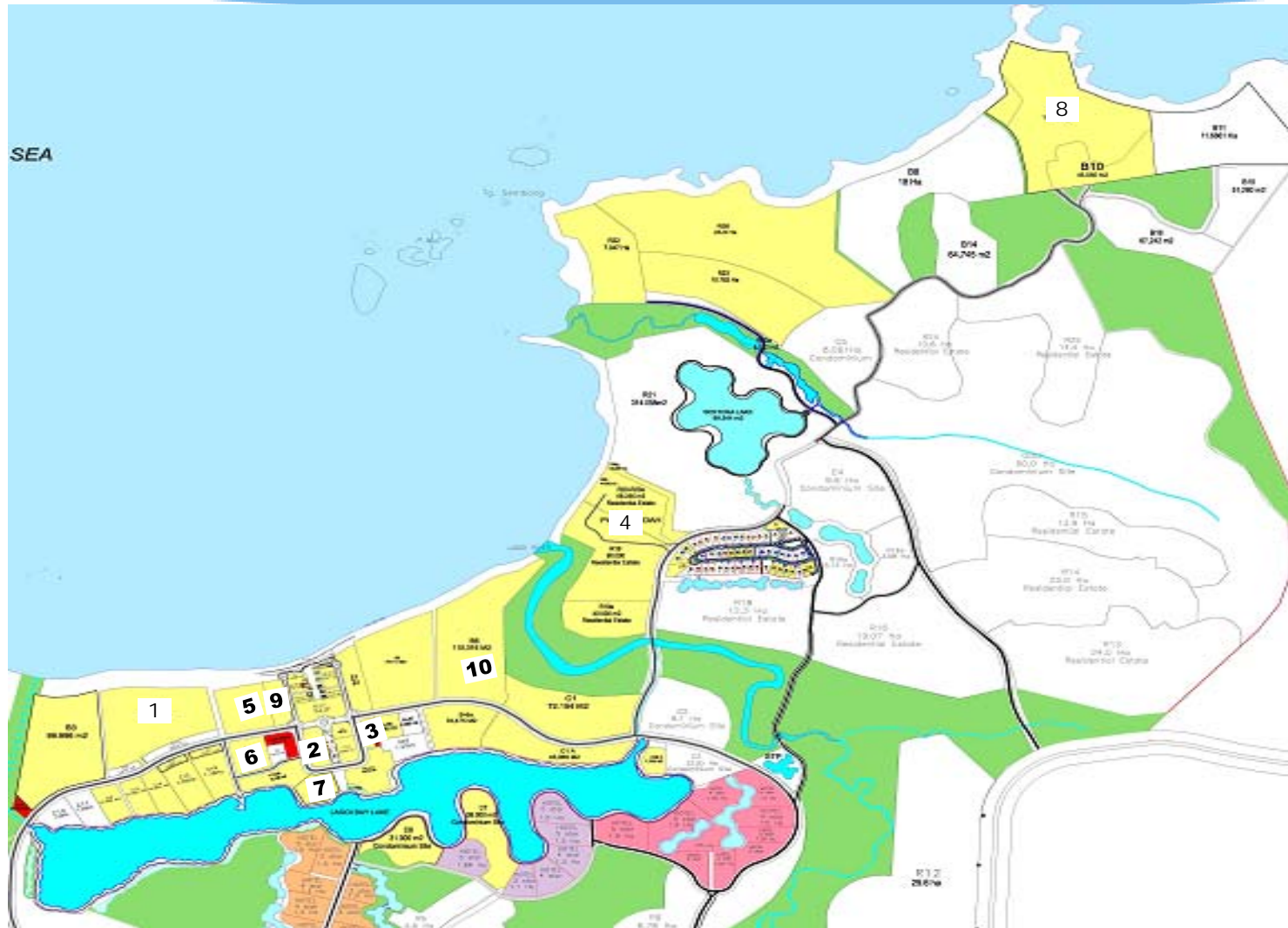
NPAT



- Higher depreciation but offset by lower operating expenses

Segment Performance (cont'd)

Property Development (cont'd)



 Land sold

Operational

1. The Sanchaya
2. Swiss-Belhotel Grand Lagoi
3. Lagoi Bay Villa
4. Pantai Indah Holiday Villa

Upcoming development

5. 4 Points by Sheraton
6. Bintan Market Place/Heritage
7. Ibis/Novotel
8. Alila villas bintan
9. Dialogo
10. Haven

Business Highlights

Lagoi Bay Development ("LBD")

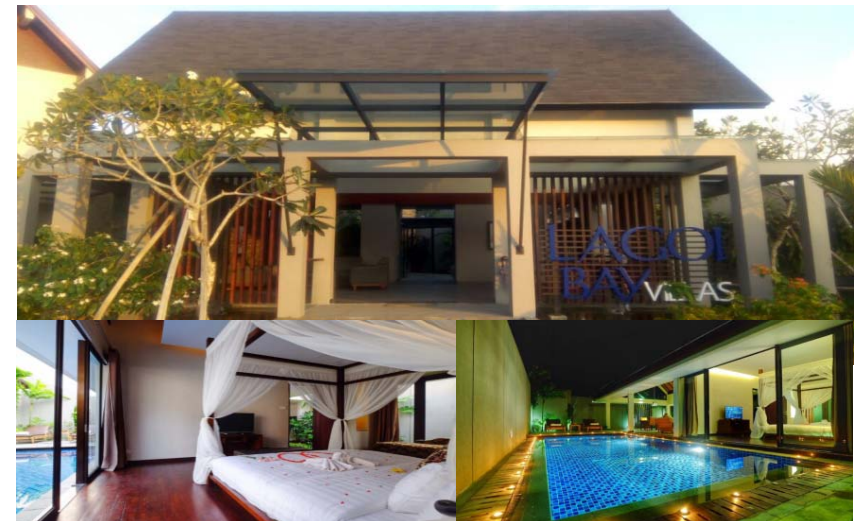
- Completed Phase 1 development with more hotels / resorts coming online over next 2 years
- New hotel/resort openings:-

In 2016

- Pantai Indah Holiday Villa
- Lagoi Bay Villa

Upcoming in 2017

- "Oldest active Passenger Ship" - Doulos Phos
- Bintan Market Place
- Alila Villas Bintan



Bintan Airport and Bintan Aerospace Park

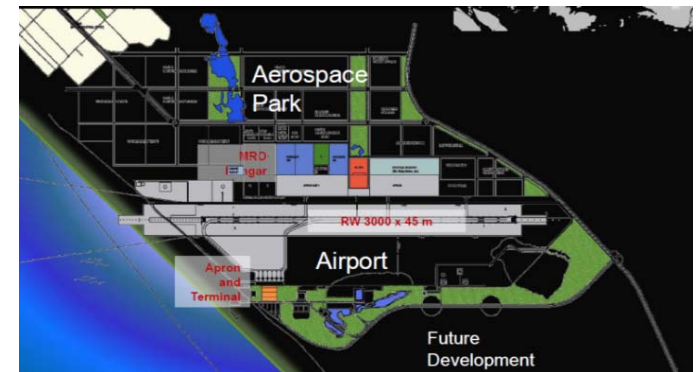
Phase 1

- Development of one runway and one terminal, which will be integrated to a regional ferry terminal servicing surrounding islands, including Singapore and Batam.
- Develop MRO Centre as part of the 177-ha Bintan Aerospace Park to be located near to our existing Bintan Inti Industrial Estate.
- Develop dedicated township to cater to the working community in the Bintan Aerospace Park.



Phase 2

- Develop multi-terminal airport with two runways
- Develop other aviation related supporting businesses.



Looking forward

- Deleverage and actively manage debts portfolio;
- Drive productivities and operational efficiency across business segments so to contain and reduce costs;
- Drive tourism and investments into Bintan;
- Diversification of fuel sources so to improve utilities' margin; and
- Continue to expand IMAS' other high margin businesses particularly in the financing, parts & services, e-commerce and logistic businesses.



Thank You