

**GALLANT VENTURE LTD**

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**Full Year 2017 Financial Statements and Dividend Announcement****UNAUDITED RESULTS FOR THE YEAR ENDED 31 DECEMBER 2017**

The Board of Directors of Gallant Venture Ltd announces the following unaudited results of the Group for the year ended 31 December 2017.

**1(a)(i). An income statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	GROUP					
	Quarter ended 31 December			Full Year		
	4th Qtr 2017 S\$'000	4th Qtr 2016 S\$'000	Incr/ (Decr) %	2017 S\$'000	2016 S\$'000	Incr/ (Decr) %
Revenue	446,851	427,847	4	1,752,555	1,715,757	2
Cost of sales	(355,182)	(343,119)	4	(1,409,234)	(1,407,968)	0
<b>Gross profit</b>	<b>91,669</b>	<b>84,728</b>	<b>8</b>	<b>343,321</b>	<b>307,789</b>	<b>12</b>
Other income	20,469	236,782	(91)	58,561	281,722	(79)
General and administrative expenses	(50,735)	(52,178)	(3)	(186,696)	(175,287)	7
Other operating expenses	(39,586)	(88,695)	(55)	(155,102)	(204,310)	(24)
Share of associated company's result	(12,741)	(7,727)	65	(56,272)	(13,746)	309
Finance costs	(33,993)	(33,331)	2	(128,713)	(132,672)	(3)
<b>(Loss)/ profit before taxation</b>	<b>(24,917)</b>	<b>139,579</b>	<b>N.M</b>	<b>(124,901)</b>	<b>63,496</b>	<b>N.M</b>
Taxation	(11,726)	(14,309)	(18)	(31,387)	(21,734)	44
<b>(Loss)/ profit after taxation for the period</b>	<b>(36,643)</b>	<b>125,270</b>	<b>N.M</b>	<b>(156,288)</b>	<b>41,762</b>	<b>N.M</b>
<b>Attributable to:</b>						
Equity holders of the Company	(33,098)	144,746	N.M	(135,722)	72,157	N.M
Non-controlling interest	(3,545)	(19,476)	(82)	(20,566)	(30,395)	(32)
	<b>(36,643)</b>	<b>125,270</b>	<b>N.M</b>	<b>(156,288)</b>	<b>41,762</b>	<b>N.M</b>

1(a)(ii). A statement of comprehensive income (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	GROUP					
	Quarter ended 31 December			Full Year		
	4th Qtr 2017 S\$'000	4th Qtr 2016 S\$'000	Incr/ (Decr) %	2017 S\$'000	2016 S\$'000	Incr/ (Decr) %
<b>(Loss)/ profit after taxation for the period</b>	<b>(36,643)</b>	125,270	N.M	<b>(156,288)</b>	41,762	N.M
<b>Other comprehensive (expenses)/income:</b>						
<u>Items that are/may be reclassified subsequently to profit or loss</u>						
Net changes in available-for sales investment	<b>12,667</b>	16,713	(24)	<b>1,165</b>	(14,109)	N.M
Net gain on fair value changes of hedging investments entered into for cash flow hedge	<b>(294)</b>	(5,399)	(95)	<b>(6,529)</b>	(3,452)	89
Foreign currency translation	<b>(15,009)</b>	17,730	N.M	<b>(53,938)</b>	33,105	N.M
<u>Items that will not be reclassified subsequently to profit or loss</u>						
Actuarial gains/ (losses) arising during the period	<b>349</b>	(3,488)	N.M	<b>(297)</b>	(3,455)	(91)
<b>Other comprehensive expenses</b>	<b>(2,287)</b>	25,556	N.M	<b>(59,599)</b>	12,089	N.M
<b>Total comprehensive expenses</b>	<b>(38,930)</b>	<b>150,826</b>	<b>N.M</b>	<b>(215,887)</b>	<b>53,851</b>	<b>N.M</b>
<b>Attributable to:</b>						
Equity holders of the Company	<b>(33,310)</b>	161,461	N.M	<b>(171,540)</b>	77,480	N.M
Non-controlling interest	<b>(5,620)</b>	(10,635)	(47)	<b>(44,347)</b>	(23,629)	88
	<b>(38,930)</b>	<b>150,826</b>	<b>N.M</b>	<b>(215,887)</b>	<b>53,851</b>	<b>N.M</b>

**Note:**

1. N.M. denotes "Not Meaningful"
2. The exchange rate of S\$1=IDR 10,134 (31 December 2016: S\$1=IDR 9,299) was used for translating IMAS's assets and liabilities at the balance sheet date and S\$1=IDR 9,671 (31 December 2016: S\$1=IDR 9,678) was used for translating the results for the period.
3. In preparing the consolidated financial statements of the Group, adjustments are made to bring the accounting policies of its foreign operations, including subsidiaries and associates, whose accounting policies differ from the Group, to be in line with the Group. For the year ended 31 December 2017, revaluation gains on investment properties of S\$54.4 million (2016 – S\$14.6 million) recorded by PT IMAS were adjusted and recognised as S\$Nil in the financial statements of the Group as the accounting policy of the Group is to measure investment properties at cost.

**1(a)(iii). Profit before taxation is arrived at after charging/(crediting) the following significant items.**

	<b>Group</b>			
	<b>Quarter ended 31 Dec</b>		<b>Full Year</b>	
	<b>4th Qtr</b>	<b>4th Qtr</b>	<b>2017</b>	<b>2016</b>
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Amortisation of intangible assets	<b>4,081</b>	4,103	<b>16,313</b>	16,422
Depreciation of property, plant and equipment	<b>17,342</b>	16,675	<b>72,263</b>	80,607
Depreciation of investment properties	<b>7,460</b>	6,209	<b>26,550</b>	23,873
Loss/ (gain) on disposal of property, plant and equipment	<b>5,225</b>	(4,683)	<b>3,201</b>	(5,076)
Gain on disposal of investment properties	-	(3,173)	-	(3,173)
Allowance for impairment loss on trade receivables	<b>3,300</b>	15,670	<b>29,638</b>	33,148
Reversal of allowance for inventories obsolescence	<b>(576)</b>	(2,539)	<b>(404)</b>	(1,364)
Gain on disposal of subsidiaries and associates	-	(220,623)	-	(220,623)
Loss on sales of foreclosed assets	<b>4,919</b>	6,395	<b>11,576</b>	16,514
Fair value gain on derivative instruments	-	(3,026)	-	(3,026)
Write off of goodwill, associates and assets	-	48,687	-	48,687
Interest Income	<b>(5,166)</b>	(1,130)	<b>(21,510)</b>	(16,530)
Interest Expense	<b>33,994</b>	33,331	<b>128,714</b>	132,672

**1(b)(i). A Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.17</b>	31.12.16	<b>31.12.17</b>	31.12.16
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
<b>Assets</b>				
<b>Non-current</b>				
Intangible assets	732,454	748,650	110	57
Property, plant and equipment	579,508	549,332	415	450
Investment properties	231,650	231,686	-	-
Subsidiaries	-	-	2,537,407	2,536,681
Associates	140,132	233,628	-	-
Financing receivables	535,644	510,359	-	-
Deferred tax assets	33,036	40,025	-	2,474
Other non-current assets	150,319	152,918	155	154
	<b>2,402,743</b>	<b>2,466,598</b>	<b>2,538,087</b>	<b>2,539,816</b>
<b>Current</b>				
Land inventories	591,767	612,963	-	-
Other inventories	260,213	217,164	-	-
Financing receivables	453,284	447,139	-	-
Trade and other receivables	547,745	590,924	78,862	135,371
Cash and bank balances	258,904	425,413	2,394	196,134
	<b>2,111,913</b>	<b>2,293,603</b>	<b>81,256</b>	<b>331,505</b>
<b>Total assets</b>	<b>4,514,656</b>	<b>4,760,201</b>	<b>2,619,343</b>	<b>2,871,321</b>
<b>Equity and liabilities</b>				
Share capital	1,948,307	1,880,154	1,948,307	1,880,154
Accumulated losses	(298,489)	(162,767)	(116,085)	(91,476)
Reserves	(204,243)	(168,281)	80,000	80,000
<b>Equity attributable to equity holders of the Company</b>	<b>1,445,575</b>	<b>1,549,106</b>	<b>1,912,222</b>	<b>1,868,678</b>
<b>Non-controlling interest</b>	<b>268,698</b>	<b>317,711</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>1,714,273</b>	<b>1,866,817</b>	<b>1,912,222</b>	<b>1,868,678</b>
<b>Liabilities</b>				
<b>Non-current</b>				
Borrowings	841,494	634,194	344,581	-
Debt securities	170,117	634,488	-	228,926
Deferred tax liabilities	89,745	94,040	-	-
Employee benefits liabilities	41,974	38,467	-	-
Other non-current liabilities	32,975	33,804	88	348
	<b>1,176,305</b>	<b>1,434,993</b>	<b>344,669</b>	<b>229,274</b>
<b>Current</b>				
Trade and other payables	348,192	278,622	24,222	30,120
Borrowings	1,179,413	1,029,535	336,328	517,244
Debt securities	85,585	139,262	-	224,580
Current tax payable	10,888	10,972	1,902	1,425
	<b>1,624,078</b>	<b>1,458,391</b>	<b>362,452</b>	<b>773,369</b>
<b>Total liabilities</b>	<b>2,800,383</b>	<b>2,893,384</b>	<b>707,121</b>	<b>1,002,643</b>
<b>Total liabilities and equity</b>	<b>4,514,656</b>	<b>4,760,201</b>	<b>2,619,343</b>	<b>2,871,321</b>

**1(b)(ii). Aggregate amount of the Group's borrowings and debt securities.**

	<b>Group</b>	
	<b>31.12.17</b>	31.12.16
	<b>S\$'000</b>	S\$'000
(i) Amount payable in one year or less, or on demand		
Secured	<b>1,179,413</b>	1,029,535
Unsecured	<b>85,585</b>	139,262
	<b>1,264,998</b>	1,168,797
(ii) Amount repayable after one year		
Secured	<b>841,494</b>	634,194
Unsecured	<b>170,117</b>	634,488
	<b>1,011,611</b>	1,268,682
<b>TOTAL</b>	<b>2,276,609</b>	2,437,479

(iii) Details of any collaterals

The Group's borrowing and debt securities are secured with the following:-

1. Mortgage of certain land titles of PT Batamindo Investment Cakrawala ("PT BIC), PT Bintan Inti Industrial Estate ("PT BIIE"), PT Bintan Resort Cakrawala ("PT BRC"), Pt Buana Megawisata ("PT BMW") and PT Surya Bangun Pertiwi ("PT SBP");
2. Pledge of accounts of PT BIC, PT BIIE, PT BRC, PT SBP, Bintan Resort Ferries Private Limited ("BRF") and the company;
3. Assignment of insurance proceeds, receivables and movable assets of PT BIC and PT BIIE;
4. Pledge of shares of PT Indomobil Sukes Internasional Tbk ("PT IMAS") and PT Buana Megawisata ("PT BMW"); and
5. PT IMAS's borrowings and debt securities are secured by mortgage over land, inventories, property, plant and equipment, marketable equities of available-for-sales assets, trade and other receivables, financing receivables and bank accounts of its various subsidiaries in Indonesia.

1(c). **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	<b>Group</b>			
	<b>Quarter Ended</b>		<b>YTD</b>	
	<b>4Q 2017</b>	<b>4Q 2016</b>	<b>31.12.17</b>	<b>31.12.16</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flow from operating activities</b>				
(Loss)/ Profit before taxation	<b>(24,917)</b>	139,579	<b>(124,901)</b>	63,496
Adjustments for:				
Amortisation of intangible assets	<b>4,081</b>	4,103	<b>16,313</b>	16,422
Depreciation of property, plant and equipment and investment properties	<b>24,802</b>	22,884	<b>98,813</b>	104,480
Loss/ (gain) on disposal of property, plant and equipment	<b>5,225</b>	(4,683)	<b>3,201</b>	(5,076)
Gain on disposal of investment properties	-	(3,173)	-	(3,173)
Impairment of trade and other receivables	<b>3,300</b>	15,670	<b>29,638</b>	33,148
Loss on sales of foreclosed assets	<b>4,919</b>	6,395	<b>11,576</b>	16,514
Reversal of allowance for inventories obsolescence	<b>(576)</b>	(2,539)	<b>(404)</b>	(1,364)
Provision for employees' benefits	<b>2,608</b>	2,646	<b>6,191</b>	5,873
Net gain on disposal of subsidiary	-	(220,623)	-	(220,623)
Impairment in goodwill	-	3,164	-	3,164
Impairment in associates	-	33,549	-	33,549
Written off other assets	-	11,974	-	11,974
Interest expense	<b>33,994</b>	33,331	<b>128,714</b>	132,672
Interest income	<b>(5,166)</b>	(1,130)	<b>(21,510)</b>	(16,530)
Fair value gain on derivative instruments	-	(3,026)	-	(3,026)
Share of associates' result	<b>12,741</b>	7,727	<b>56,272</b>	13,746
Cash from operations before working capital changes	<b>61,011</b>	45,848	<b>203,903</b>	185,246
Decrease/(Increase) in land inventories	<b>21,196</b>	(3,808)	<b>21,196</b>	(14,558)
Decrease/(Increase) in other inventories	<b>(15,634)</b>	68,695	<b>(61,119)</b>	92,372
Decrease/(Increase) in operating receivables	<b>478,535</b>	154,476	<b>419,392</b>	(7,447)
(Decrease)/Increase in operating payables	<b>(565,047)</b>	(13,673)	<b>(331,920)</b>	70,993
Cash (used in)/ generated from operating activities	<b>(19,939)</b>	251,538	<b>251,452</b>	326,606
Income tax paid	<b>(17,195)</b>	(16,982)	<b>(75,959)</b>	(80,021)
Interest paid	<b>(51,632)</b>	(61,978)	<b>(202,486)</b>	(199,888)
Interest received	<b>3,397</b>	1,013	<b>16,409</b>	11,949
Employee benefit paid	<b>(519)</b>	(454)	<b>(1,273)</b>	(1,134)
Net cash (used in)/ generated from operating activities	<b>(85,888)</b>	173,137	<b>(11,857)</b>	57,512
<b>Cash flow from investing activities</b>				
Acquisition of intangible assets	<b>(108)</b>	(52)	<b>(115)</b>	(106)
Acquisition of property, plant and equipment	<b>(32,271)</b>	(76,913)	<b>(123,039)</b>	(134,973)
Acquisition of investment properties	<b>(28,216)</b>	(48,947)	<b>(49,256)</b>	(55,019)
Dividend from associates	-	90	<b>6,440</b>	250
Proceeds from disposal of property, plant and equipment	<b>9,592</b>	38,601	<b>14,868</b>	43,656
Addition in investment in shares stock	<b>(4,959)</b>	(646)	<b>(5,511)</b>	(59,550)
Proceeds from disposal of investment properties	-	4,115	-	4,115
Proceeds from disposal of other investment	<b>(7,820)</b>	(194,760)	-	-
Proceeds from sales of associates	-	364	-	364
Disposal of subsidiaries, net of cash disposal	-	390,095	-	390,095
Interest received on and proceeds from restricted cash and time deposits	<b>1,274</b>	(602)	<b>598</b>	(406)
Net cash (used in)/ generated from investing activities	<b>(62,508)</b>	111,345	<b>(156,015)</b>	188,426

1(c). **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)**

	Group			
	Quarter Ended		YTD	
	4Q 2017 S\$'000	4Q 2016 S\$'000	31.12.17 S\$'000	31.12.16 S\$'000
<b>Cash flow from financing activities</b>				
Proceeds from issuance of bonds and shares	99,049	-	324,581	152,593
Repayment of other financing activities	(230,026)	(30,681)	(581,348)	(307,828)
Acquisition of non-controlling interests	-	(195)	-	(3,073)
Proceeds from additional capital stock contribution of NCI	3,314	377	5,323	377
Proceeds from bank borrowings	1,041,167	579,001	2,591,171	2,018,338
Repayment of bank borrowings	(731,439)	(617,045)	(2,319,653)	(1,885,519)
Dividend paid to non-controlling interests	(3,158)	(860)	(7,968)	(4,011)
Net cash generated from/ (used in) financing	<b>178,907</b>	<b>(69,403)</b>	<b>12,106</b>	<b>(29,123)</b>
Increase/ (decrease) in cash and cash equivalent	<b>30,511</b>	215,079	<b>(155,766)</b>	216,815
Cash and cash equivalents at beginning of year	<b>230,478</b>	206,092	<b>425,413</b>	201,921
Effect of currency translation of cash and cash equivalent	<b>(2,085)</b>	4,242	<b>(10,743)</b>	6,677
Cash and cash equivalents at end of year	<b>258,904</b>	425,413	<b>258,904</b>	425,413

**A: Disposal of subsidiary**

In Year 2016, the Group disposed the entire equity interest in its subsidiary, Market Strength Limited. The carrying value of net assets disposed and discharged were as follows:-

	Carrying Value S\$'000
Total net assets	55,465
Amount due from MSL and its associates	186,319
Gain on disposal	220,623
	<b>462,407</b>
<u>Consideration transferred for the disposal</u>	
Cash	390,095
Deferred payment	72,312
	<b>462,407</b>
<u>Effect of the disposal on cash flow:</u>	
Cash consideration	390,095
Less: Cash balance in subsidiary disposed	-
Cash inflow on disposal	<b>390,095</b>

1(d)(i). A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated statement of changes in equity for the period ended 31 December 2016:

	Share Capital \$'000	Capital Reserve \$'000	Translation Reserve \$'000	Hedging Reserve \$'000	Fair Value Reserve \$'000	Other Reserves \$'000	Retained Earnings \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
Balance as at 1 January 2016	1,880,154	(105,771)	(41,645)	6,803	(9,661)	3,027	(234,924)	1,497,983	336,434	1,834,417
Loss for the period	-	-	-	-	-	-	(72,589)	(72,589)	(10,919)	(83,508)
Other comprehensive (expenses)/income	-	-	9,125	1,392	(21,924)	15	-	(11,392)	(2,075)	(13,467)
Total comprehensive (expenses)/income for the period	-	-	9,125	1,392	(21,924)	15	(72,589)	(83,981)	(12,994)	(96,975)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(2,418)	-	(2,418)	(2,194)	(4,612)
Balance as at 30 September 2016	1,880,154	(105,771)	(32,520)	8,195	(31,585)	624	(307,513)	1,411,584	321,246	1,732,830
Profit for the period	-	-	-	-	-	-	144,746	144,746	(19,476)	125,270
Other comprehensive income/(expenses)	-	-	10,869	(3,824)	11,887	(2,217)	-	16,715	8,841	25,556
Total comprehensive income/(expenses) for the period	-	-	10,869	(3,824)	11,887	(2,217)	144,746	161,461	(10,635)	150,826
Disposal of subsidiaries	-	-	(30,668)	-	-	-	-	(30,668)	-	(30,668)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(4,011)	(4,011)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	6,729	-	6,729	11,111	17,840
Balance as at 31 December 2016	1,880,154	(105,771)	(52,319)	4,371	(19,698)	5,136	(162,767)	1,549,106	317,711	1,866,817



1(d)(i). A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year (cont'd)

Consolidated statement of changes in equity for the period ended 31 December 2017:

	Share Capital \$'000	Capital Reserve \$'000	Translation Reserve \$'000	Hedging Reserve \$'000	Fair Value Reserve \$'000	Other Reserves \$'000	Retained Earnings \$'000	Total \$'000	Non- controlling Interests \$'000	Total Equity \$'000
Balance as at 1 January 2017	1,880,154	(105,771)	(52,319)	4,371	(19,698)	5,136	(162,767)	1,549,106	317,711	1,866,817
Loss for the period	-	-	-	-	-	-	(102,624)	(102,624)	(17,021)	(119,645)
Other comprehensive (expenses)/income	-	-	(23,192)	(4,461)	(8,182)	229	-	(35,606)	(21,706)	(57,312)
Total comprehensive (expenses)/income for the period	-	-	(23,192)	(4,461)	(8,182)	229	(102,624)	(138,230)	(38,727)	(176,957)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(413)	(413)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	566	-	566	(3,859)	(3,293)
Balance as at 30 September 2017	1,880,154	(105,771)	(75,511)	(90)	(27,880)	5,931	(265,391)	1,411,442	274,712	1,686,154
Loss for the period	-	-	-	-	-	-	(33,098)	(33,098)	(3,545)	(36,643)
Other comprehensive (expenses)/income	-	-	(9,339)	(213)	9,043	297	-	(212)	(2,075)	(2,287)
Total comprehensive (expenses)/income for the period	-	-	(9,339)	(213)	9,043	297	(33,098)	(33,310)	(5,620)	(38,930)
Issuance of shares	68,235	-	-	-	-	-	-	68,235	-	68,235
Share issuance expenses	(82)	-	-	-	-	-	-	(82)	-	(82)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(710)	-	(710)	(394)	(1,104)
Balance as at 31 December 2017	1,948,307	(105,771)	(84,850)	(303)	(18,837)	5,518	(298,489)	1,445,575	268,698	1,714,273

1(d)(i). *A statement (for the issuer and group) showing either (i) all the changes in equity or (ii) changes in equity other than those arising from capitalization issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.*

**Statement of changes in equity of the Company for the period ended 31 December 2017:**

	<b>Share Capital S\$'000</b>	<b>Capital reserve S\$'000</b>	<b>Accumulated losses S\$'000</b>	<b>Total S\$'000</b>
Balance as at 1 January 2016	1,880,154	80,000	(122,339)	1,837,815
Total comprehensive income for the period	-	-	26,925	26,925
Balance as at 30 September 2016	1,880,154	80,000	(95,414)	1,864,740
Total comprehensive income for the period	-	-	3,938	3,938
Balance as at 31 December 2016	1,880,154	80,000	(91,476)	1,868,678
<b>Balance as at 1 January 2017</b>	<b>1,880,154</b>	<b>80,000</b>	<b>(91,476)</b>	<b>1,868,678</b>
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>(15,872)</b>	<b>(15,872)</b>
<b>Balance as at 30 September 2017</b>	<b>1,880,154</b>	<b>80,000</b>	<b>(107,348)</b>	<b>1,852,806</b>
<b>Issuance of shares</b>	<b>68,235</b>	<b>-</b>	<b>-</b>	<b>68,235</b>
<b>Share issuance expenses</b>	<b>(82)</b>	<b>-</b>	<b>-</b>	<b>(82)</b>
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>(8,737)</b>	<b>(8,737)</b>
<b>Balance as at 31 December 2017</b>	<b>1,948,307</b>	<b>80,000</b>	<b>(116,085)</b>	<b>1,912,222</b>

**1(d)(ii). Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issue of equity securities, issue of shares for cash or consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at end of the current financial period reported on and as at end of the corresponding period of the immediately preceding financial year.**

**Shares to be issued upon exercise of conversion right of convertible bond:-**

The details are as follows:

	<b>As at 31 Dec 2017</b>	<b>As at 31 Dec 2016</b>
Conversion right of convertible bond	250,000,000	250,000,000

**1(d)(iii). To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares excluding treasury shares as at 31 December 2017 and 31 December 2016 were 5,338,010,225 and 4,824,965,112 respectively. The company does not hold any treasury shares as at 31 December 2017 and 31 December 2016.

**1(d)(iv). A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

None.

**2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The financial statements have not been audited or reviewed by the auditor.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied accounting policies and methods of computation in the financial statements for the current reporting period consistent with those of the audited financial statements as at 31 December 2016.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reason for, and the effect of, the change.**

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Group has adopted the new and revised standards and interpretations of FRS (INT FRS that are effective for annual periods beginning on or after 1 January 2017. The adoption of these standards and interpretations does not have any effect on the financial performance or position of the Group and the Company.

6. **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding year, after deducting any provision for the preference dividends; (a) Based on weighted average number of shares and (b) On a fully diluted basis (detailing any adjustments made to the earnings)**

Loss per ordinary share for the period based on profit attributable to equity holders of the company:

	<b>Group</b>			
	<b>Quarter ended</b>		<b>Full Year</b>	
	<b>4Q 2017</b>	<b>4Q 2016</b>	<b>31.12.17</b>	<b>31.12.16</b>
Net (loss) / income attributable to equity owners of the Company (S\$'000)	<b>(33,098)</b>	144,746	<b>(135,722)</b>	72,157
(i) Based on the weighted average number of ordinary shares on issue (cents)	<b>(0.680)</b>	3.000	<b>(2.788)</b>	1.495
(ii) On a fully diluted basis (cents) <sup>(1)</sup>	<b>(0.680)</b>	2.852	<b>(2.788)</b>	1.422

<sup>(1)</sup> The conversion right of convertible bond has not been included in the calculation of diluted loss per shares as these will have an anti-dilutive effect (i.e. resulting in a reduction in loss per share)

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year.**

	<b>Group</b>		<b>Company</b>	
	<b>31.12.17</b>	<b>31.12.16</b>	<b>31.12.17</b>	<b>31.12.16</b>
Net asset value per ordinary share	<b>27.08 cents</b>	32.11 cents	<b>35.82 cents</b>	38.81 cents

The net asset value per ordinary share is calculated using the Group's net assets value as at end of each period divided by the share capital of 5,338,010,225 ordinary shares as at 31 December 2017 and 4,824,965,112 ordinary shares as at 31 December 2016.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**4th Quarter 2017 (4Q 2017) vs. 4th Quarter 2016 (4Q 2016)**

**Profit & Loss Statement**

IMAS's 4Q 2017 revenue was S\$406.5 million as compared to S\$382.4 million in 4Q 2016. Higher revenue was mainly due to higher trucks and heavy duty equipment sales, vehicle servicing and car rental related income. The Group (excluding IMAS) registered lower revenue of S\$40.3 million as compared to S\$45.4 million in the previous period and was mainly due to absence of factory sales in the current period as compared to S\$4.1 million in 4Q 2016. The Consolidated Group revenue was S\$446.8 million, 4% higher than 4Q 2016's S\$427.8 million.

IMAS's 4Q 2017 cost of sales was S\$321.6 million as compared to S\$309.7 million in 4Q 2016. The Group's (excluding IMAS) cost of sales was S\$33.5 million as compared to S\$33.4 million in 4Q 2016. In line with the revenue, the Consolidated Group's cost of sales increased from S\$343.1 million in 4Q 2016 to 4Q 2017's S\$355.1 million. The Consolidated Group's cost of sales to revenue ratio was 0.79 in 4Q 2017 as compared to 0.80 in 4Q 2016. The Consolidated Group's gross profit was S\$91.7 million in 4Q 2017 as compared to

S\$84.7 million in 4Q 2016 and was in line with higher revenue.

IMAS's 4Q 2017 "other income" was S\$75.7 million as compared to S\$26.5 million in 4Q 2016 and was mainly due to higher fair value revaluation gain on the investment properties of S\$54.4 million as compared to S\$14.6 million in the previous period. The Group's (excluding IMAS) "other income" was S\$0.8 million income as compared to S\$224.9 million income in 4Q 2016 and was mainly due to the gain from divestment of the Shanghai Lao Xi Men Project in the previous period. The Consolidated Group's "other income" was S\$20.5 million in 4Q 2017 as compared to 4Q 2016's S\$236.8 million. The IMAS's fair value revaluation gain on its investment properties was not taken into the Consolidated Group as the Group adopts cost method for its investment properties.

IMAS's 4Q 2017 "general and administrative expenses" was S\$37.6 million as compared to S\$37.7 million in 4Q 2016. The Group's (excluding IMAS) "general and administrative expenses" was S\$7.6 million as compared to 4Q 2016's S\$9.1 million and was mainly due to lower manpower costs. The Consolidated Group's "general and administrative expenses" was S\$50.7 million as compared to 4Q 2016's S\$52.2 million.

IMAS's 4Q 2017 "other operating expenses" was S\$32.9 million as compared to 4Q 2016's S\$33.6 million and was mainly due to lower manpower costs. The Group's (excluding IMAS) "other operating expenses" was S\$6.7 million as compared to 4Q 2016's S\$21.6 million and was mainly due to the write off of goodwill and assets of S\$15.2 million in the previous period. The Consolidated Group's "other operating expenses" was S\$39.6 million as compared to 4Q 2016's S\$88.7 million which included a write off of associates of S\$33.5 million.

The Consolidated Group's 4Q 2017 "share of associated companies' result" was S\$12.7 million loss as compared to 4Q 2016's S\$7.7 million loss and was mainly due to higher losses from the automotive associated companies.

IMAS's 4Q 2017 "finance costs" was S\$24.4 million as compared to 4Q 2016's S\$22.2 million and the Group's (excluding IMAS) "finance costs" was S\$9.6 million as compared to 4Q 2016's S\$11.1 million. The Consolidated Group's "finance costs" was S\$34.0 million as compared to S\$33.3 million in 4Q 2016.

IMAS's 4Q 2017's net profit was S\$44.0 million as compared to S\$9.3 million net loss in 4Q 2016 and was mainly due to fair value revaluation gain from its investment properties. The Group's (excluding IMAS) was a net loss of S\$21.6 million as compared to S\$187.0 million profit in 4Q 2016 and was mainly due to S\$220.6 million gain from divestment of the Shanghai Lao Xi Men Project. The Consolidated Group's net loss attributable to equity holders of the Company was S\$33.1 million for 4Q 2017 as compared to 4Q 2016's profit of S\$144.7 million.

## **12 Months 2017 (FY 2017) vs. 12 Months 2016 (FY 2016)**

### **Profit & Loss Statement**

IMAS's FY 2017 revenue was S\$1,593.7 million as compared to FY 2016's S\$1,555.3 million. Higher revenue was mainly due to higher trucks and heavy duty equipment sales, financial services and car rental related income. The Group (excluding IMAS) registered lower revenue of S\$158.9 million as compared to FY 2016's S\$160.5 million and was mainly due to absence of factory sales but was partially mitigated by higher revenue from utilities and resort segment. The Consolidated Group revenue was S\$1,752.6 million, representing 2% higher than FY 2016's S\$1,715.8 million.

IMAS's FY 2017 cost of sales was S\$1,276.6 million as compared to FY 2016's S\$1,279.7 million. The Group's (excluding IMAS) cost of sales was S\$132.6 million as compared to FY 2016's S\$128.3 million. The Consolidated Group's cost of sales was S\$1,409.2 million, lower than FY 2016's S\$1,408.0 million. The Consolidated Group's cost of sales to revenue ratio was 0.80 in FY 2017 as compared to 0.82 in FY 2016. Accordingly and in line with higher revenue, the Consolidated Group registered higher gross profit of S\$343.3 million in FY 2017 as compared to S\$307.8 million in FY 2016.

IMAS's FY 2017 "other income" was S\$121.1 million as compared to FY 2016's S\$63.4 million and was mainly due to higher interest income and fair value revaluation gain on its investment properties as compared to the previous period. The Group's (excluding IMAS) "other income" was S\$7.1 million expenses as compared to FY 2016's S\$235.0 million income and was mainly due to foreign currency translation losses on the USD remittance from the divestment of the Shanghai Lao Xi Men Project and the S\$220.6 million gain from

divestment of the Shanghai Lao Xi Men Project in FY 2016. Accordingly, the Consolidated Group's "other income" was S\$58.6 million in FY 2017 which was lower than FY 2016's S\$281.7 million. The IMAS's fair value revaluation gain on its investment properties was not taken into the Consolidated Group's as the Group adopts cost method for its investment properties.

IMAS's FY 2017 "general and administrative expenses" was S\$145.4 million as compared to S\$132.4 million in FY 2016 and was mainly due to higher provision for doubtful debts. The Group's (excluding IMAS) "general and administrative expenses" was S\$19.8 million as compared to FY 2016's S\$22.1 million was mainly due to lower manpower related costs. The Consolidated Group's "general and administrative expenses" was S\$186.7 million as compared to FY 2016's S\$175.3 million.

IMAS's FY 2017 "other operating expenses" was S\$129.7 million as compared to FY 2016's S\$132.3 million. Lower expenses were mainly due to lower manpower costs and partially offset by impairment loss on foreclosed assets. The Group's (excluding IMAS) "other operating expenses" was S\$25.4 million as compared to S\$38.5 million in FY 2016 and was mainly due to write off of goodwill and assets in the previous period. The Consolidated Group's "other operating expenses" was S\$155.1 million as compared to FY 2016's S\$204.3 million and was mainly due to the impairment on investment in associated companies of S\$33.5 million in the previous period.

The Consolidated Group's FY 2017 "share of associate's results" was S\$56.3 million loss as compared to FY 2016's S\$13.7 million loss and was mainly due to higher losses from automotive associated companies.

IMAS's FY 2017 "finance costs" was S\$91.9 million as compared to S\$83.5 million in FY 2016 and the Group's (excluding IMAS) "finance costs" was S\$36.8 million as compared to S\$49.2 million in FY 2016. The Consolidated Group's "finance costs" was S\$128.7 million as compared to S\$132.7 million in FY 2016 and was mainly due to repayment of external bank borrowings and redemption of bond of the Company's 2017 EMTN.

IMAS's FY 2017 net loss was S\$6.8 million as compared to S\$32.2 million in FY's 2016 and was mainly due to higher fair value revaluation gain on its investment properties but was offset by higher losses from the associated companies. The Group's (excluding IMAS) net loss was S\$76.6 million as compared to S\$140.8 million profit in FY 2016 and was mainly due to S\$220.6 million gain from divestment of the Shanghai Lao Xi Men Project in FY 2016. The Consolidated Group's net loss attributable to equity holders of the Company was S\$135.7 million in FY 2017 as compared to FY 2016's net profit of S\$72.2 million.

## **Balance Sheet**

The Group's total assets of S\$4,514.7 million, as at 31 December 2017, were S\$245.5 million lower than as at the previous year end. Other non-current assets decreased by S\$2.6 million mainly due to the decline in value of the Group's quoted equity investments. Current assets decreased by S\$181.7 million to S\$2,111.9 million and was mainly due to decrease in cash and bank balances after repayment of bank borrowings and redemption of 2017 / 2018 EMTNs during the period under review.

The Group's total liabilities of S\$2,800.4 million, as at 31 December 2017, were S\$93.0 million lower than the previous year-end and was mainly due to the redemption of the Company's EMTN. The Group's borrowings and debt securities as at 31 December 2017 were S\$2.3 billion of which S\$1.0 billion relates to IMAS' car rental and financial services business.

## **Cash Flow Statement**

Net cash used in operating activities was S\$11.9 million as compared to S\$57.5 million in the previous period.

Net cash used in investing activities was S\$156.0 million and was mainly due to capital expenditure.

Net cash generated from financing activities was S\$12.1 million mainly from the proceeds from bank borrowings.

**9. *Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.***

No forecast or prospect statement has been previously disclosed.

**10. *A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.***

While IMAS's truck and heavy duty equipment, financial services, car rental, and spare parts and servicing businesses have all registered good growth, improved contributions from passenger vehicle sales segment is expected to improve only towards 2<sup>nd</sup> half of 2018 and into Year 2019 in line with the timing of new product launches.

We are repositioning our industrial parks business to higher value added business activities. Strong tourist arrival into Bintan will continue to be the key growth factor and the Group will leverage on this momentum to accelerate commercial land sales in Bintan.

**11. *If a decision regarding dividend has been made.***

Not applicable.

**12. *If no dividend has been declared (recommended), a statement to that effect.***

No dividend has been declared (recommended) for the year ended 31 December 2017.

**13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited financial statements with comparative information for the immediately preceding year.**

Group	Industrial Park		Utilities		Resort Operations		Property Development		Automotive		Corporate		Elimination		Total	
	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000	2017 S\$'000	2016 S\$'000
<b>Business segments</b>																
<b>Operating revenue</b>																
External sales	32,713	39,961	101,660	100,173	24,506	20,291	-	-	1,593,676	1,555,332	-	-	-	-	1,752,555	1,715,757
Inter-segment sales	-	-	94	-	62	-	-	-	-	-	-	-	(156)	-	-	-
Total sales	<b>32,713</b>	39,961	<b>101,754</b>	100,173	<b>24,568</b>	20,291	-	-	<b>1,593,676</b>	1,555,332	-	-	<b>(156)</b>	-	<b>1,752,555</b>	1,715,757
<b>Segment results</b>																
(Loss)/profit from operation	(11,472)	(5,623)	24,329	26,877	(6,416)	(6,450)	(11,964)	(9,580)	87,216	5,357	(21,609)	199,333	-	-	60,084	209,914
Share of associates' results															(56,272)	(13,746)
Finance costs															(128,713)	(132,672)
(Loss)/Profit before taxation															(124,901)	63,496
Taxation															(31,387)	(21,734)
(Loss)/Profit after taxation															(156,288)	41,762
Attributable to:-																
Equity holders of company															(135,722)	72,157
Non-controlling interest															(20,566)	(30,395)
															(156,288)	41,762
<b>Other information</b>																
Segment assets	109,445	149,749	172,852	173,777	38,053	37,827	674,729	675,280	1,797,327	1,660,179	1,289,395	1,364,285	-	-	4,081,801	4,061,097
Associates															140,132	233,628
Unallocated assets															292,723	465,476
															<b>4,514,656</b>	<b>4,760,201</b>
Segment liabilities	19,828	25,369	47,841	45,891	9,700	9,549	20,358	17,042	1,585,021	1,380,148	15,916	14,170	-	-	1,698,664	1,492,169
Unallocated liabilities															1,101,719	1,401,215
															<b>2,800,383</b>	<b>2,893,384</b>



**14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

**Industrial Parks.** Industrial parks revenue was lower due to lower average rental rates resulted from the end-of-lease rent free periods given to the tenants, lower revenue from commercial and dormitory rental and absence of factory sales in the current year.

**Utilities.** Utilities related revenue increased by S\$1.6 mil and was mainly due to higher power consumption from industrial parks tenants' and resort operators in Bintan as more hotels commence their operations. Lower gross margin was mainly due to higher fuel costs as compared to the previous period.

**Resort Operations.** In line with higher tourist arrival into Bintan, our Resorts segment registered higher revenue from its ferries, resorts operations and rental related revenue. In FY2017, operating loss from resorts segment was S\$6.4 million as compared to FY2016's S\$6.5 million.

**Property Development.** In FY2017, Property Development business registered the operating loss of S\$11.9 million as compared to S\$9.6 million loss in FY2016. Higher operating loss mainly due to higher depreciation and operating expenses.

**Automotive.** Automotive segment registered a higher operating profit of S\$87.2 million as compared to FY 2016's profit of S\$5.4 million. This was mainly due to higher earnings from financial services, car rental related businesses and trucks and heavy duty equipment sales.

**15. A breakdown of sales as follows:**

The breakdown of sales of the Group is as follows:

	<b>GROUP</b>		
	<b>Full Year</b>		
	<b>2017</b> <b>S\$'000</b>	<b>2016</b> <b>S\$'000</b>	<b>+ / (-)</b> <b>%</b>
(a) Revenue reported for the first half year	<b>868,700</b>	898,144	(3)%
(b) (Loss) after tax before non-controlling interest reported for the first half year	<b>(84,025)</b>	(48,454)	73%
(c) Revenue reported for second half year	<b>883,855</b>	817,613	8%
(d) (Loss)/Profit after tax before non-controlling interest reported for second half year	<b>(72,263)</b>	90,216	N.M

**16. A breakdown of the total annual dividends (in dollar value) for the issuer's latest full year and its previous full year as follows:- (a) Ordinary, (b) Preference, and (c) Total**

Not applicable.

17. Pursuant to Rule 920 of the SGX-ST Listing Manual, details of the aggregate value of the interested person transactions transacted.

The aggregate value of the interested person transactions for the financial period ended 31 December 2017 was as follows:

Name of interested person	Aggregate value of all interested person transactions during the period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
	S\$'000	S\$'000
<b>PURCHASES</b>		
PT Mitsuba Automotive Parts Purchases		933
PT Mentari Subur Abadi Purchases		927
PT Adijaya Mulia Purchases		245
PT Sumalindo Alam Lestari Purchases		169
PT Salim Ivomas Pratama Purchases		126
PT Indofood Sukses Makmur Tbk Purchases		100
<b>SALES</b>		
PT Prima Sarana Gemilang Sales		2,986
PT Wahana Inti Sela Interest Income		2,300
PT Alam Indah Bintang Sales		1,919
PT Hamfred Technology Indonesia Interest Income		1,833
PT Laju Perdana Indah Sales		1,219
PT Wolfsburg Auto Indonesia Sales		607
PT Shinhan Indo Finance Rental Income		561
PT Tunas Karya Indoswasta Sales		419
PT Indofood CBP Sukses Makmur Sales		176
PT Tritunggal Inti Permata Sales		145
PT Indofood Fritolay Makmur Sales		136

**18. *Report of persons occupying managerial positions who are related to Director, CEO or Substantial Shareholder.***

Pursuant to Rule 704(13) of the Listing Manual of the Singapore Exchange Securities Trading Limited, we confirm that none of the persons occupying managerial positions in Gallant Venture Ltd (the "Company") or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company.

**19. *Confirmation that the issuer has procured undertakings from all its Directors and Executive Officers***

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**BY THE ORDER OF THE BOARD**

CHOO KOK KIONG  
EXECUTIVE DIRECTOR AND COMPANY SECRETARY  
28 FEBRUARY 2018