
PROPOSED EXPANSION OF UTILITIES BUSINESS – NEW POWER PLANT PROJECT – ENTRY INTO NON-BINDING TERM SHEET

The board of directors (the "**Board**") of Gallant Venture Ltd. (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcement dated 9 June 2024 (the "**9 June Announcement**") on the Company's proposed investment in new power plants as part of its strategy to meet growing energy demand and diversify its power generation portfolio. Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall bear the same meanings ascribed to them in the 9 June Announcement.

As stated in the 9 June Announcement, the Group intends to finance the Project through internal funds, bank borrowings and/or the issuance of securities which may include convertible bonds. The Board wishes to announce that the Company and its wholly-owned subsidiary, PT BIC, have entered into a non-binding term sheet (the "**Term Sheet**") with Broadwood Road Limited (the "**Subscriber**") in relation to a potential subscription for convertible bonds to be issued by PT BIC (the "**Convertible Bonds**") (the "**Proposed Transaction**"). It is proposed that the Subscriber will carry out a book-building exercise to identify and secure prospective investors to participate, through the Subscriber, in the Convertible Bonds.

The Subscriber is an unrelated third party and does not have any shareholding interest, direct or indirect, in the Company or the Group, nor is the Subscriber related to any of the Directors, substantial shareholders of the Company, or their respective associates.

Under the terms of the Term Sheet, the Subscriber will invest up to US\$683.6 million for the Convertible Bonds, which investment amount will be used to finance the construction of a 3 x 350MW coal-fired power plant in Pulau Setokok, Bulang, Batam, Indonesia. It is currently proposed that the Convertible Bonds shall carry an interest rate of 9% per annum and have a maturity date falling 2,880 days from the date of issuance of the Convertible Bonds (approximately 8 years), unless converted earlier into new ordinary shares issued by PT BIC upon the occurrence of certain conversion events. Subject to the book-building exercise, there may be further changes to the terms of the Convertible Bonds.

The Proposed Transaction is conditional on, amongst others, the execution of mutually acceptable definitive agreements, satisfactory legal, financial and tax due diligence and all necessary approvals having been obtained. The long-stop date for completion of the issuance of the Convertible Bonds is 31 March 2026 (or such other date as may be mutually agreed between PT BIC and the Investor).

Except for the provision on transaction costs, the Term Sheet is not legally binding on the parties thereto.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Term Sheet (other than through their respective shareholdings in the Company, if any).

The Company will make further announcements to update its shareholders as and when there are any material developments relating to the Proposed Transaction and the Term Sheet as may be necessary or appropriate.

In the meantime, shareholders of the Company and other investors are advised to refrain from taking any action in respect of their shares in the Company which may be prejudicial to their interests, and to exercise caution

when dealing in such shares. In the event that shareholders of the Company wish to deal in the shares of the Company, they should seek their own professional advice and consult with their own stockbrokers.

BY ORDER OF THE BOARD
GALLANT VENTURE LTD.

Choo Kok Kiong
Executive Director and Company Secretary
09 October 2025