



# GALLANT VENTURE LTD.

Corporate Presentation  
November 2013

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## Agenda

1. Business Overview
2. Key Credit Highlights
3. Financial Overview

Appendix



**Section 1**

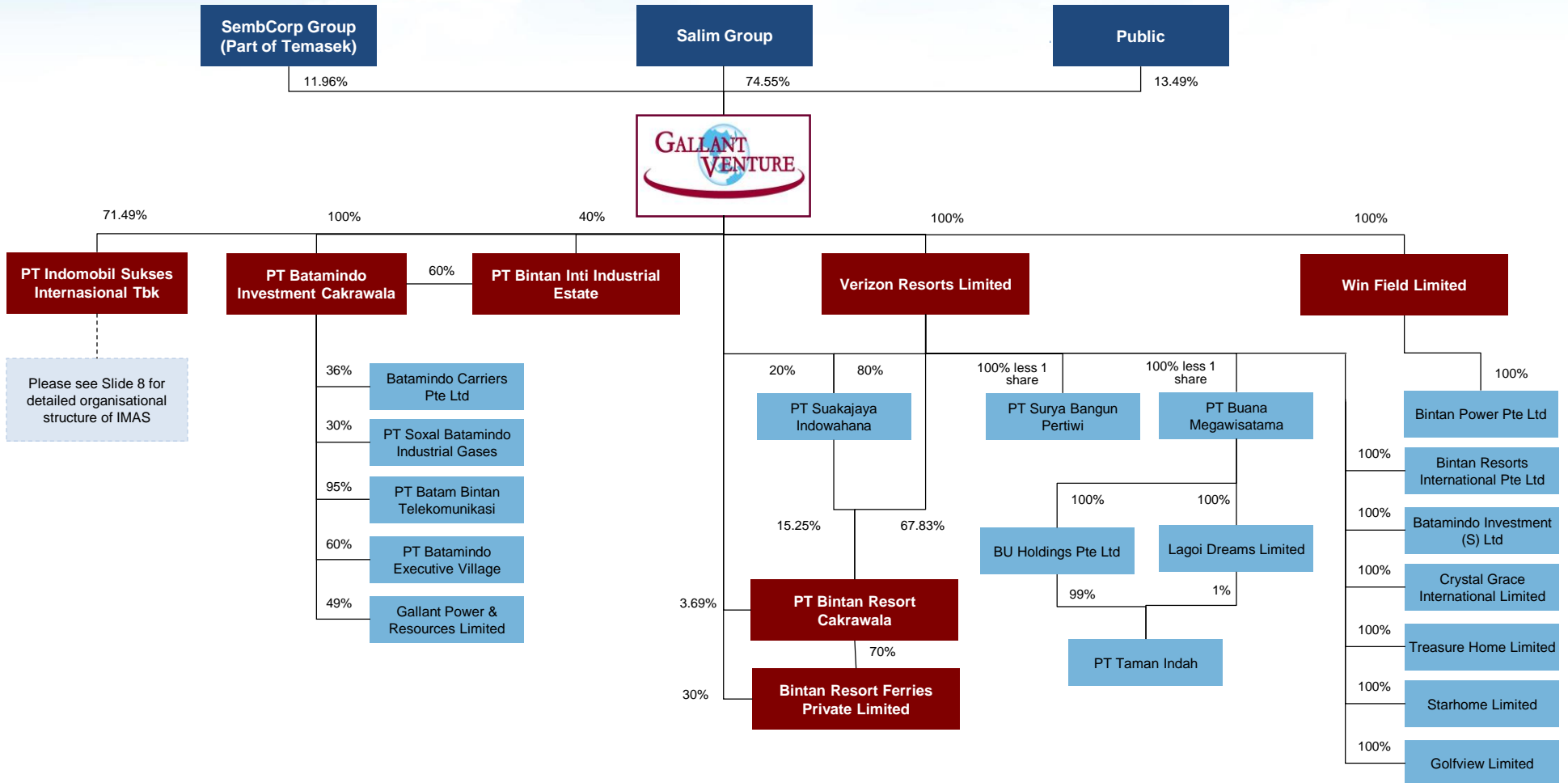
# **COMPANY OVERVIEW**

# Company Highlights

- Headquartered in Singapore, Gallant Venture Ltd. (“GV”) is an investment holding company with five main business segments:
  - Automotive
  - Utilities
  - Industrial parks
  - Resort operations
  - Property development
- GV’s businesses are located in Singapore, Indonesia and the People’s Republic of China (“PRC”)
- Key shareholders include the Salim Group and SembCorp Industries Ltd
- GV is listed on Main Board of the Singapore Exchange Securities Trading Limited (SGX-ST) with a market capitalisation of S\$1.56 billion as at 31 October 2013

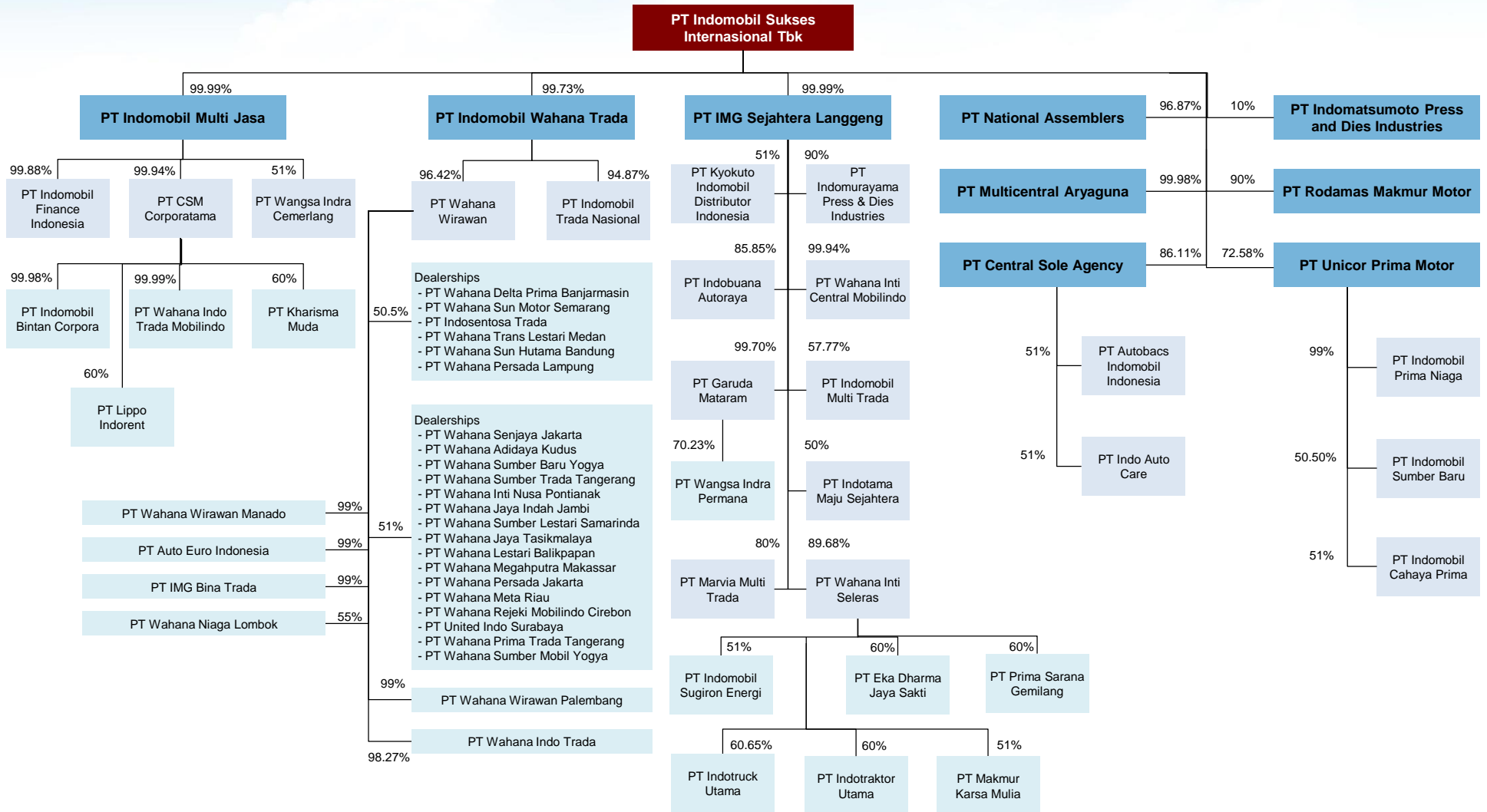


# Organisational Structure – Gallant Venture Ltd.



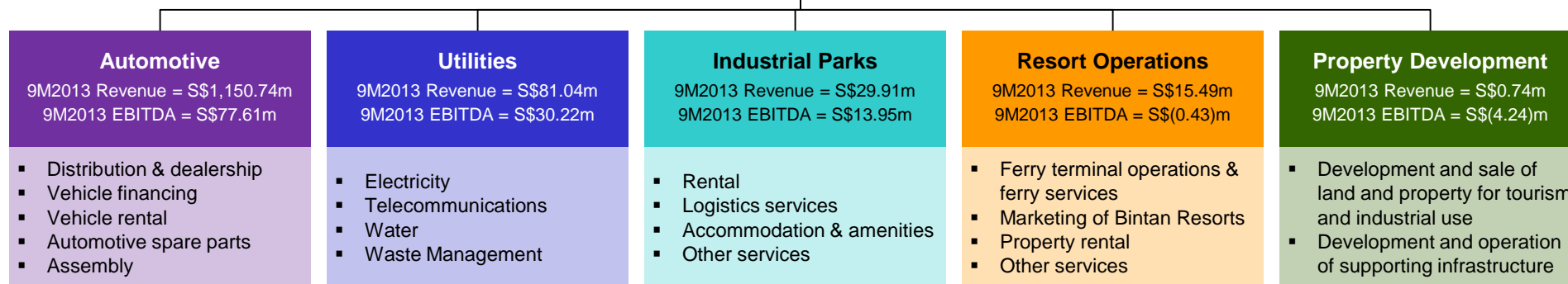
Note: Shareholding and structure as at 31 October 2013

# Organisational Structure – PT Indomobil Sukses Internasional Tbk

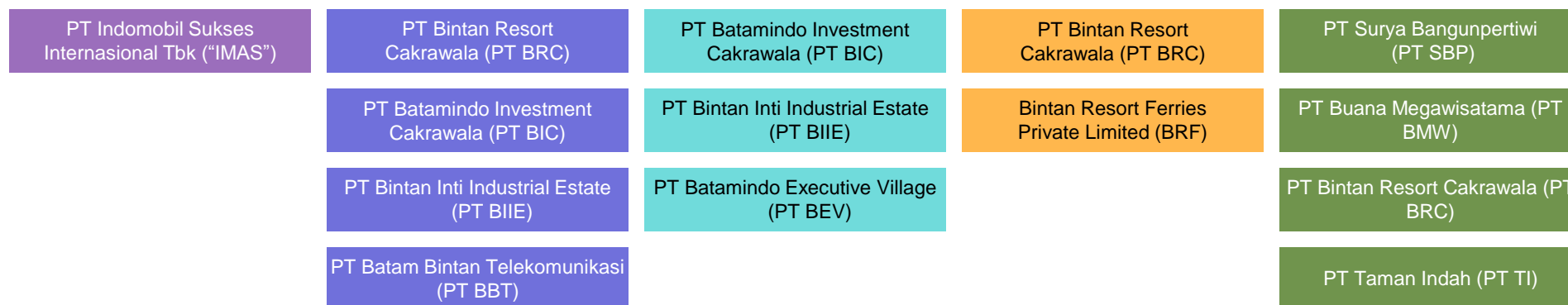


Note: Shareholding and structure as at 31 October 2013

# Business Segments



## Group companies carrying out business





# Business Strategy

Build a diversified investment portfolio with primary focus in Indonesia

- ✓ Aim to maximise shareholder value
- ✓ Build and leverage upon core competencies, in-depth domain knowledge of Indonesia and strong shareholder support to broaden and strengthen market reach

Capitalise on growth opportunities in the Indonesian automotive market

- ✓ Focus on high-growth passenger car and heavy-duty truck segments
- ✓ Benefit from regulatory tax incentives for low-cost, fuel-efficient car segment
- ✓ Increase ancillary income from existing products and services

Enhance facilities and infrastructure in the Group's industrial parks and utilities businesses

- ✓ Continue to develop facilities and infrastructure to achieve better returns
- ✓ Explore alternative energy sources which allow for more competitive rates
- ✓ Offer strong, competitive platform to attract tenants

Develop Lagoi Bay to be an attractive vacation destination

- ✓ Designed to complete continuum of existing resort facilities on northern coast of Bintan
- ✓ Mixed development facilities to cater to commercial and leisure markets
- ✓ Provide an alternative to established markets such as Bali, Phuket and Singapore

Participate in the property business in the PRC

- ✓ Target high-end residential market with well-integrated mixed use development
- ✓ Achieve maximum yield
- ✓ Reinvest cash generated from the Shanghai Property Project in other ventures in the region



**Section 2**

## **KEY CREDIT HIGHLIGHTS**

## Key Credit Highlights



Extensive automotive distribution and vehicle financing networks in Indonesia

Integrated automotive distribution platform with a wide range of products and services

Strong and long-standing relationship with automotive manufacturer principals

Close proximity to Singapore's air and sea transportation hubs

Quality industrial parks with available skilled, low-cost labour and which benefit from the close economic cooperation between Indonesia and Singapore

Experienced and stable management team

# Extensive automotive distribution and vehicle financing networks in Indonesia

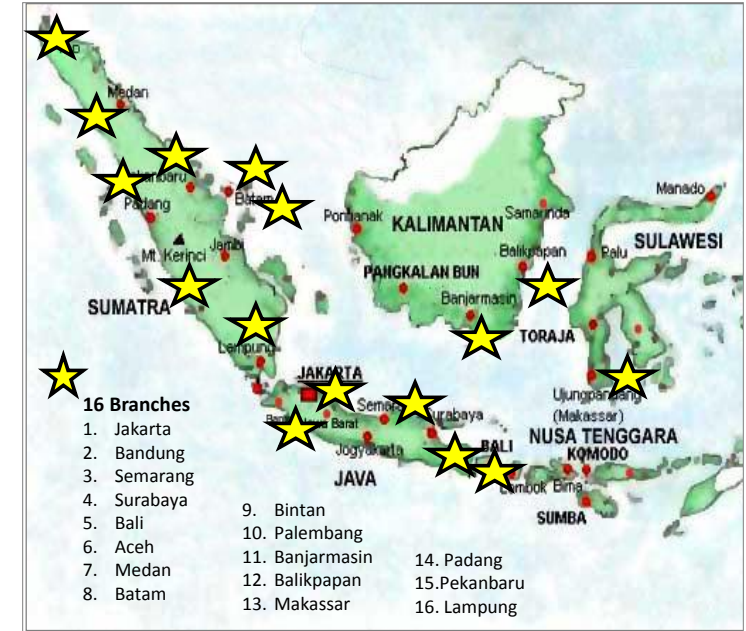
- IMAS is the one of the two largest automotive groups in Indonesia
- A well-distributed sales and after-sales branch network allows IMAS to capture higher sales penetration across Indonesia



## Indomobil Finance network



## Indorent network






# Integrated automotive distribution platform with a wide range of products and services

- IMAS has comprehensive expertise across automotive supply management, marketing, servicing, financing, rental and transportation for logistic services
- Integrated business model enables IMAS to enhance earnings across the distribution chain

		Automotive				Indomobil Multi Jasa		Auto Parts				
		Nissan, Renault, Datsun		VW, Audi		Hino		HD Trucks & Equipment	Indomobil finance	Car Rental	Indoparts / Kyokuto, Autobacs	
Product Portfolio	Product											
	Target Market	<ul style="list-style-type: none"> <li>Mass market retail</li> </ul>		<ul style="list-style-type: none"> <li>90% retail (top executive, business owners)</li> <li>10% institutional (MNCs, embassy, financial institutions)</li> </ul>		<ul style="list-style-type: none"> <li>Institutional customers across mining, plantation, cargo and construction sectors</li> </ul>		<ul style="list-style-type: none"> <li>Institutional customers across mining, forestry, construction, port and oil &amp; gas sectors</li> </ul>	<ul style="list-style-type: none"> <li>Consumer finance, leasing and factoring</li> </ul>	<ul style="list-style-type: none"> <li>Retail and corporate customers</li> </ul>	<ul style="list-style-type: none"> <li>Corporate customers across banking &amp; finance, consumer goods, logistic &amp; distribution, manufacturing, mining &amp; oil, telecoms and pharmaceutical sectors</li> </ul>	<ul style="list-style-type: none"> <li>2W and 4W vehicle owners</li> </ul>
	Market Share							<ul style="list-style-type: none"> <li>Captive market:                             <ul style="list-style-type: none"> <li>Nissan: 21.0%</li> <li>Hino: 10.4%</li> </ul> </li> </ul> <p>(% of total credit sales as of June 2013)</p>	<ul style="list-style-type: none"> <li>Captive market:                             <ul style="list-style-type: none"> <li>Indomobil Group</li> <li>Salim Group</li> </ul> </li> </ul>			
Branches/ Network	<ul style="list-style-type: none"> <li>95 dealers</li> </ul>		<ul style="list-style-type: none"> <li>18 dealers</li> </ul>		<ul style="list-style-type: none"> <li>135 dealers across Indonesia</li> </ul>		<ul style="list-style-type: none"> <li>60 branches across Indonesia</li> </ul>	<ul style="list-style-type: none"> <li>213 service points</li> <li>Collaboration with more than 2,000 dealers in Indonesia</li> </ul>	<ul style="list-style-type: none"> <li>16 service points</li> </ul>	<ul style="list-style-type: none"> <li>7,165 parts shops</li> </ul>		

# Low Cost Green Car to enhance car sales outlook in Indonesia

## Key selling points of LCGC

-  **Affordability**
  - ⊙ Priced at <US\$10,000 per unit
-  **Unique market segment**
  - ⊙ Household that currently buy used cars or own more than 2-3 motorcycles
-  **Fuel efficiency**



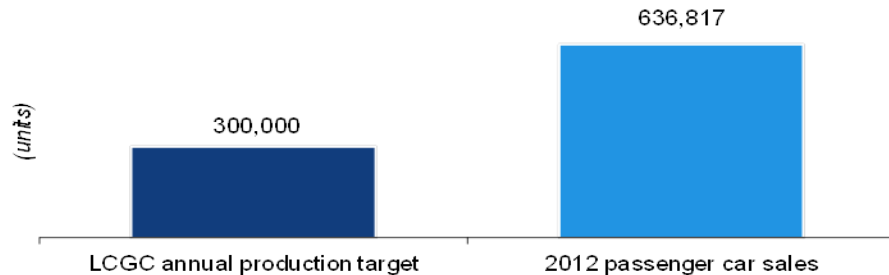
Datsun Go



Datsun Go Plus

Datsun was the first to offer 7-seater LCGC

**Better car affordability to unlock additional car demand**



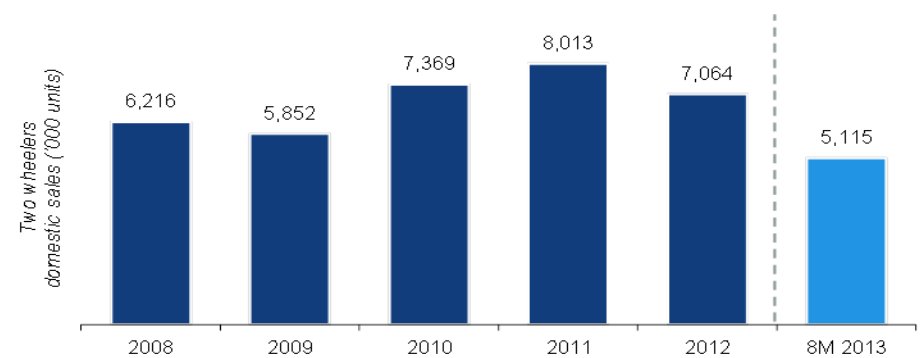
Source: Data Consult industry report

## Incentives for LCGC in Indonesia

1. Reduction of luxury tax (PPnBM) for eco cars
2. Tax holiday for Complete-Build-Up (CBU) eco car unit and lower PPnBM in the first 18 months.
3. Tax holiday for raw materials, supporting materials and components that have not been produced domestically for 8 years

## Potential shift from 2W to LCGC

### Size of two wheeler market in Indonesia



# IMAS' robust growth through DATSUN

- IMAS' strong track record of growth is expected to be further enhanced through the launching of Datsun products

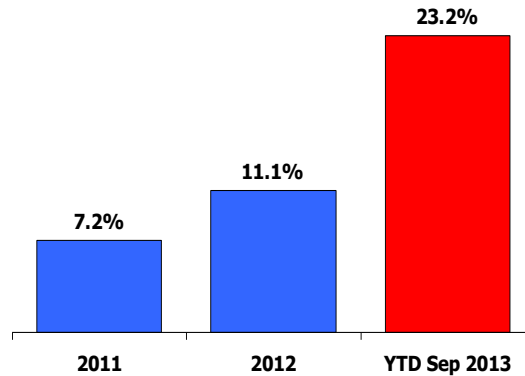


Source: Gaikindo, Retail Sales (in units)

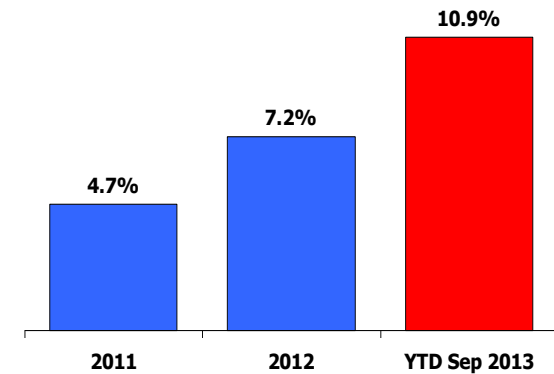
# Strong and long-standing relationship with automotive manufacturer principals

- Several of the IMAS Group's relationships with automotive manufacturer principals date back at least two decades
- The IMAS Group commands a significant share of credit sales for its major business partners

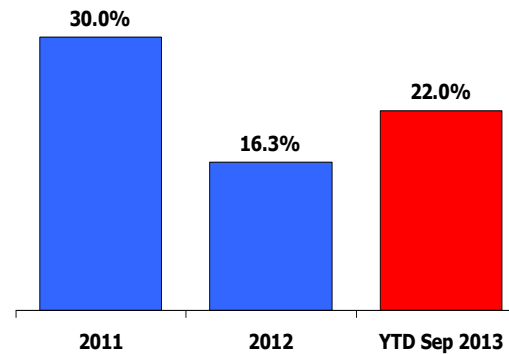
## NISSAN



## HINO



## RENAULT & VOLVO





# Close proximity to Singapore's air and sea transportation hubs

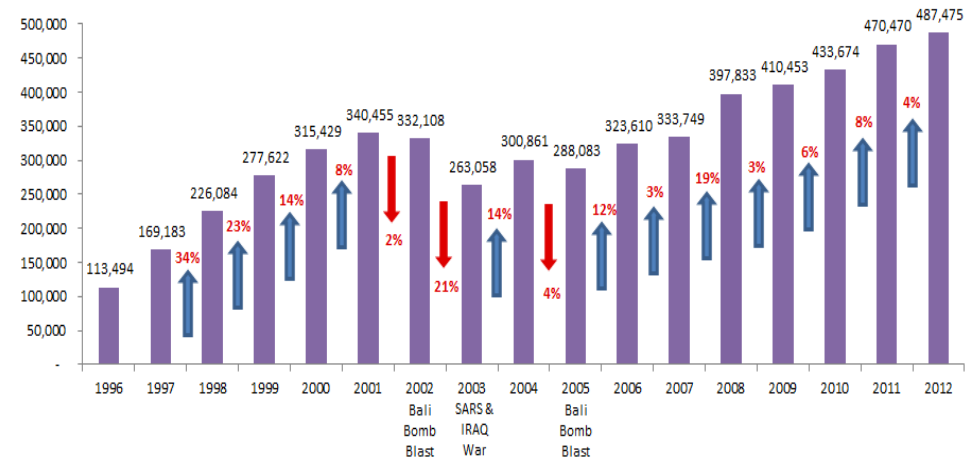
- Batam and Bintan have ready access to Singapore's Changi International Airport and well-developed sea port
- Improving integrated connectivity between islands supports tourism and industrial development growth



## Improving Accessibility

- 2009** Ferries cut time to 45 minutes
- 2011** Implemented express immigration card system
- 2014** Air connectivity from Singapore
- 2015** Ferries cut time to 30 minutes  
Operate from second terminal in Singapore
- 2016** Operate new regional airport in Bintan

## Resilient Tourist Arrivals (Bintan Resorts)



# Quality industrial parks with available skilled, low-cost labour and which benefit from the close economic cooperation between Indonesia and Singapore

- Self-contained environments benefitting from strong logistical network, uninterrupted power supply and clean water
- Government support for immigration of low-cost labour capable of competing on similar scale with China

	Batamindo Industrial Park	Bintan Industrial Estate																
Area (in '000 m <sup>2</sup> )*	<table border="1"> <tr> <td>Total RBFs built</td> <td>544</td> </tr> <tr> <td>RBFs on rent</td> <td>345</td> </tr> <tr> <td>RBFs sold</td> <td>103</td> </tr> <tr> <td>RBFs available</td> <td>96</td> </tr> </table>	Total RBFs built	544	RBFs on rent	345	RBFs sold	103	RBFs available	96	<table border="1"> <tr> <td>Total RBFs built</td> <td>107</td> </tr> <tr> <td>RBFs on rent</td> <td>56</td> </tr> <tr> <td>RBFs sold</td> <td>17</td> </tr> <tr> <td>RBFs available</td> <td>33</td> </tr> </table>	Total RBFs built	107	RBFs on rent	56	RBFs sold	17	RBFs available	33
Total RBFs built	544																	
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RBFs sold	103																	
RBFs available	96																	
Total RBFs built	107																	
RBFs on rent	56																	
RBFs sold	17																	
RBFs available	33																	
Industries Represented	<p><b>Key industries</b> include:</p> <ul style="list-style-type: none"> <li>• Electronic and Electrical Products,</li> <li>• ICT,</li> <li>• Plastic Moulds, and</li> <li>• Precision Parts</li> </ul>	<p><b>Key industries</b> include:</p> <ul style="list-style-type: none"> <li>• ICT,</li> <li>• Garment,</li> <li>• Plastic</li> <li>• Furniture &amp; Electrical</li> </ul>																
Accessibility	<p>One International Airport 2 Seaports 5 Ferry Terminals</p>	<p>Own Ferry Terminal Own Seaport</p>																
Logistics Services	<ul style="list-style-type: none"> <li>• Daily shipping for containerised, conventional and light to heavy cargoes to and from Singapore</li> <li>• Transshipment for inbound and outbound cargo via Singapore;</li> <li>• Warehousing, distribution and relocation</li> <li>• Owned and managed port and ferry terminal at Bintan</li> </ul>																	
Residential, Recreational and Medical Amenities, Security & Utilities Infrastructure	<ul style="list-style-type: none"> <li>• Condominiums and bungalows in Bintan Inti Executive Village and resort style accommodation in Batamindo Executive Village, with recreational facilities including membership privileges at the SouthLinks Country Club</li> <li>• Dormitories for factory workers and larger quarters for supervisors</li> <li>• Community centre and facilities for workers</li> </ul>																	

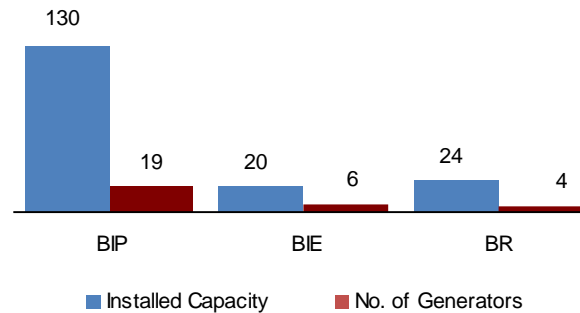
# Quality industrial parks with available skilled, low-cost labour and which benefit from the close economic cooperation between Indonesia and Singapore

- GV has the capability to supply its own power, water, telecommunications and waste management services to Batamindo Industrial Park, Bintan Industrial Estate and Bintan Resorts

## Power

- 24-hour uninterrupted power supply to customers in BIP, BIE and BR for both low & high tension load
- Standby generating capacity amounting to 30% of installed capacity
- Maintain an adequate reserve supply of fuel, sufficient to support un-interrupted supply of electricity
- 24-hour security and regular inspections

## Power Generation capacity (MW)



## Power Plant in Bintan



## Telecommunications

- Provide fixed-line, broadband, IDD, fax, local and dedicated lease lines
- 100m high microwave tower that supplements local authority's optical fiber networks
- Provide additional fixed-line connection to PT Bintan Inti Industrial Estate and PT Bintan Resort Cakrawala (within Bintan Island)

## Water

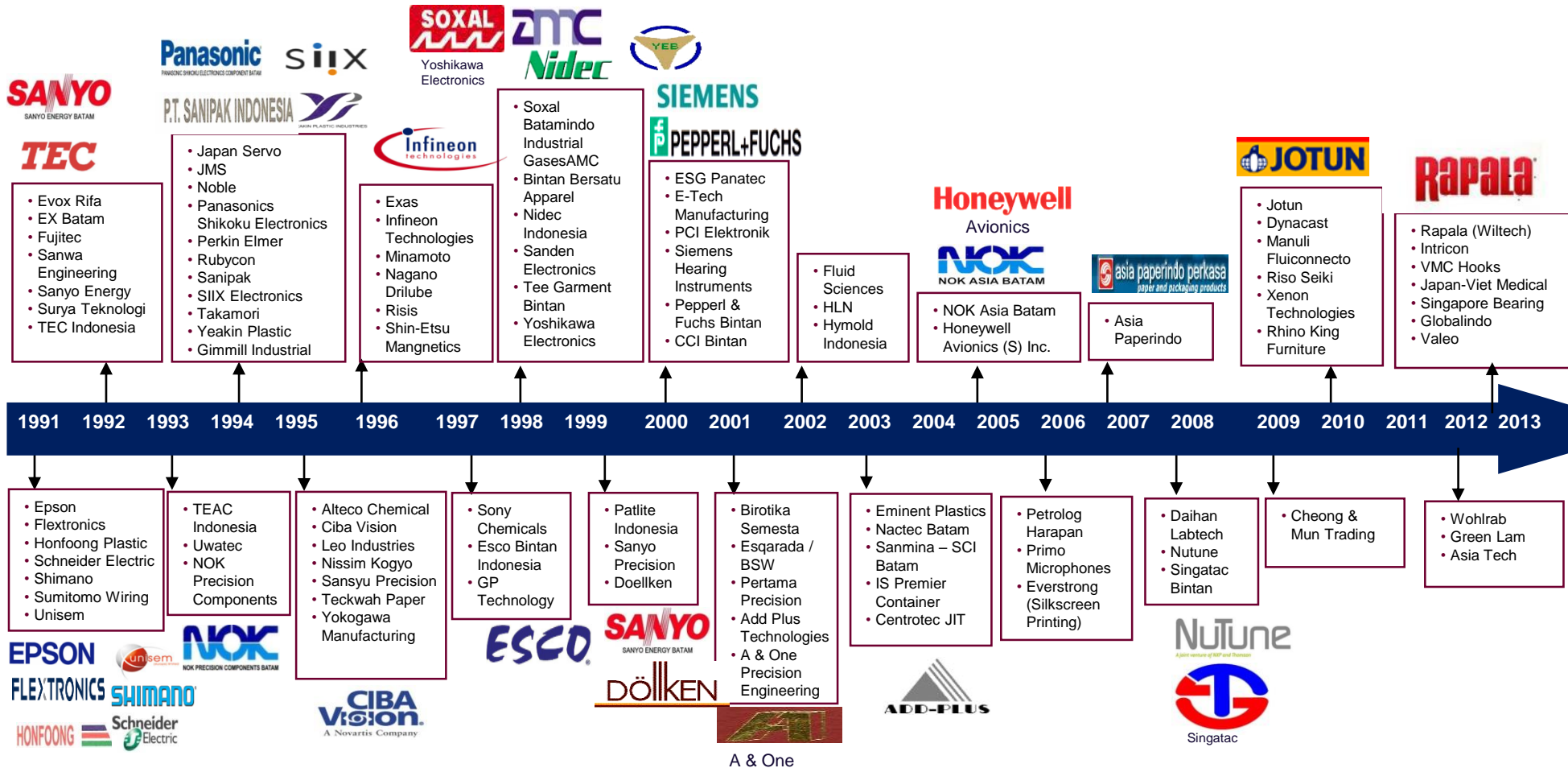
- GV provides treated water from third parties and from own facilities to industrial parks and Bintan Resorts
- Water sourced from two govt. owned reservoirs in Batam, as well as GV's own reservoir in Bintan

## Waste Management

- Comprises of sewage treatment plants and waste -water treatment facilities
- Designated sanitary landfills for the disposal of solid wastes and dedicated ponds at industrial parks for the discharge of treated sewage
- Treatment of sewage and wastewater adheres to the local authority's environmental standards

# Quality industrial parks with available skilled, low-cost labour and which benefit from the close economic cooperation between Indonesia and Singapore

- Strong relationships with renowned tenants provide credibility to GV's industrial park operations
- Diversified exposure to broad mix of tenants underpins strong cash-flow generating business



## Experienced and stable management team

- Many of the Group's executive officers have been with the GV Group for over a decade, and have successfully led the Group through various corporate milestones such as the IPO and the recent acquisition of a majority stake in IMAS

### Senior Management



**Mr. Eugene Cho Park**

Executive Director and Chief Executive Officer

Responsible for the overall management of the Company, Mr Park is a co-founder of Parallax Capital Management Group. He has also spent more than 15 years as an investment banker with Credit Suisse First Boston in London, Chase Manhattan Asia Ltd in Hong Kong and Banque Paribas in Singapore. He received a Bachelor of Arts (Chemistry) from Princeton University in the United State of America and a Master of Business Administration from INSEAD in France.



**Mr. Gianto Gunara**

Executive Director

Mr Gunara is currently Director of Business Operations at Bintan Resorts International Pte Ltd and Vice-President of PT Batamindo Executive Village. He also holds directorships in PT Bintan Resort Cakrawala, Bintan Resorts Ferries Pte Ltd, PT Bintan Inti Industrial Estate and in some other subsidiaries. Mr Gunara has over 24 years of industry experience having worked with Haagtechno BV - Den Bosch in Holland, Hagemeyer NV, PT Indomarco Nusatrada, Indomarco International and Kangaroo Industries in Los Angeles as well as PT Indoleather Swakarsa.



**Mr. Jusak Kertowidjojo**

President Director/CEO, IMAS

Mr Kertowidjojo is the President Director of IMAS. Mr Kertowidjojo was first appointed as the Vice President Director II of IMAS in June 2005 and as the President Director and Chief Executive Officer in June 2011. Currently he also serves as a director in a number of IMAS' subsidiaries. He started his professional career with the IMAS Group in 1982. Mr. Kertowidjojo obtained a Bachelor's Degree in Economics and Accounting from the Parahyangan University in Bandung in 1982.



**Mr. Choo Kok Kiong**

Group Chief Financial Officer

Mr Choo is the Group Chief Financial Officer overseeing Corporate Services. Mr Choo joined the Group in 2005 after holding various management positions in the SembCorp Group. He has over 20 years of finance experience, having held the positions of Vice-President of Finance at SembPark and Sembcorp Parks Holdings Ltd, (now known as Sembcorp Development Ltd) Assistant Vice-President of Finance at Sembcorp Industries and Accounts Manager with Singapore Precision Industries Pte Ltd.

# Key Credit Highlights



Extensive automotive distribution and vehicle financing networks in Indonesia

Integrated automotive distribution platform with a wide range of products and services

Strong and long-standing relationship with automotive manufacturer principals

Close proximity to Singapore's air and sea transportation hubs

Quality industrial parks with available skilled, low-cost labour and which benefit from the close economic cooperation between Indonesia and Singapore

Experienced and stable management team



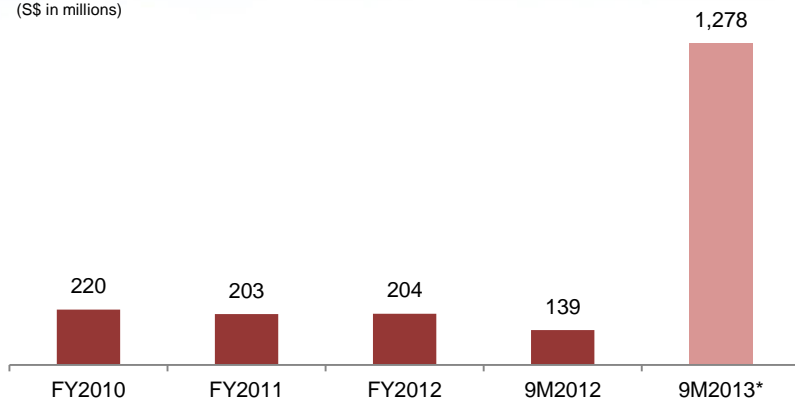
**Section 3**

# **FINANCIAL OVERVIEW**

# Key Financial Performance

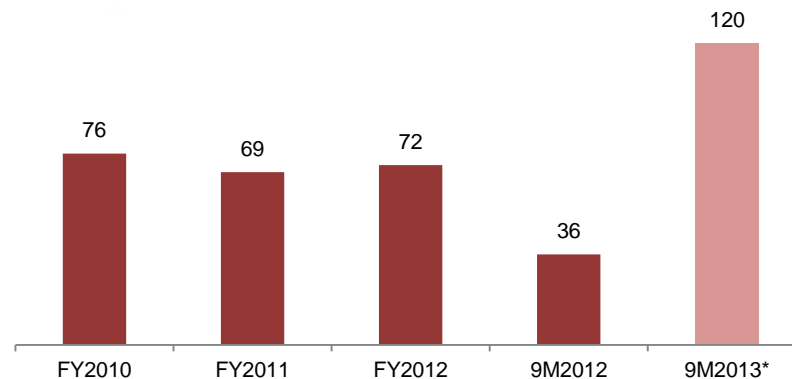
## Revenue

(\$ in millions)



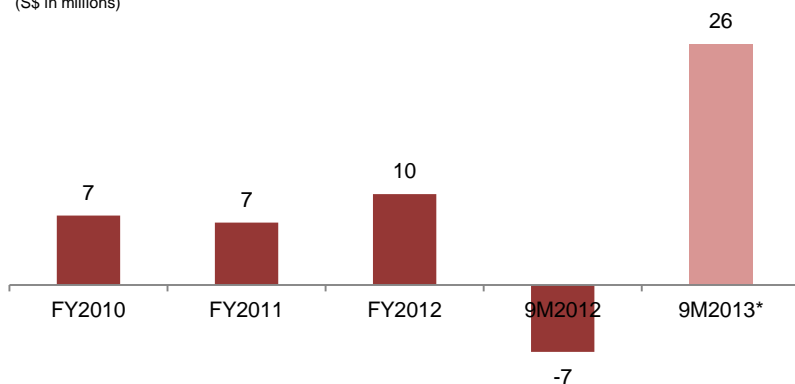
## EBITDA<sup>1</sup>

(\$ in millions)



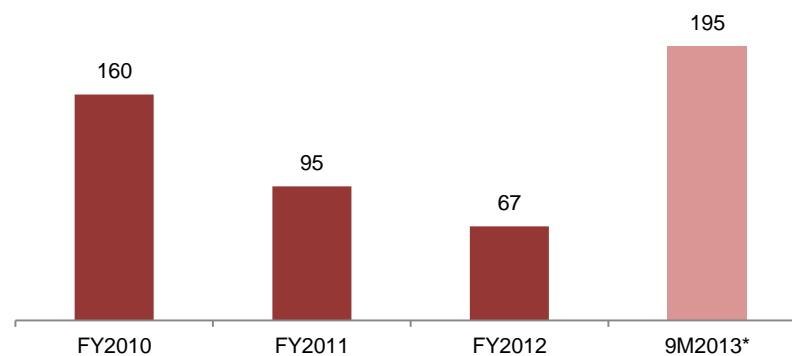
## Profit After Taxation

(\$ in millions)



## Cash and Bank Balances

(\$ in millions)



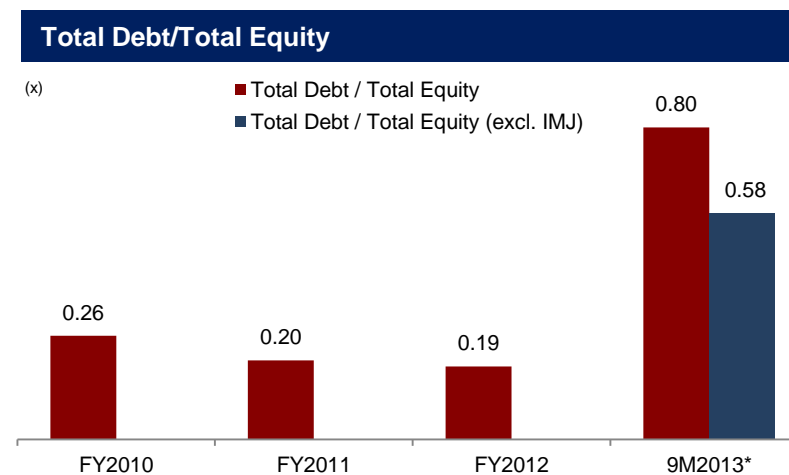
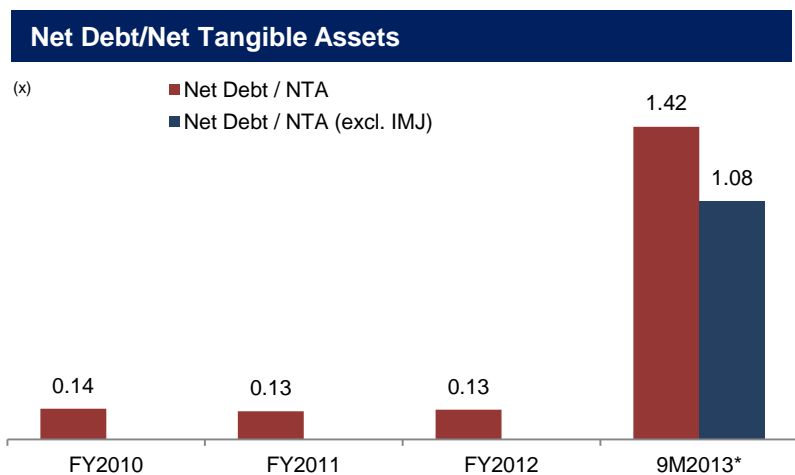
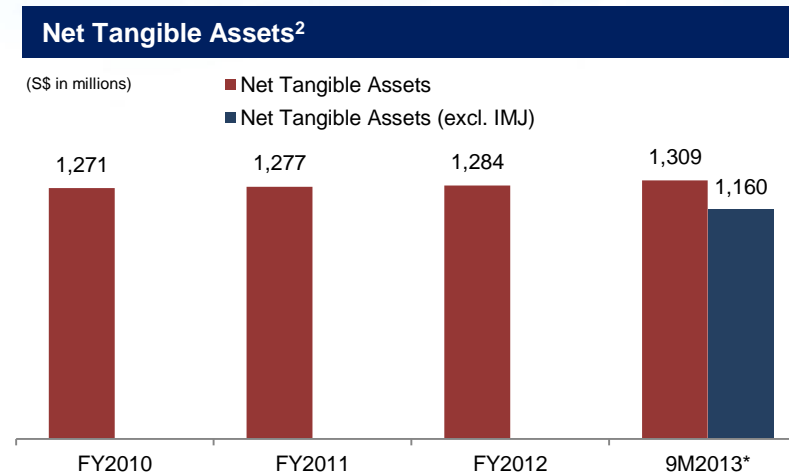
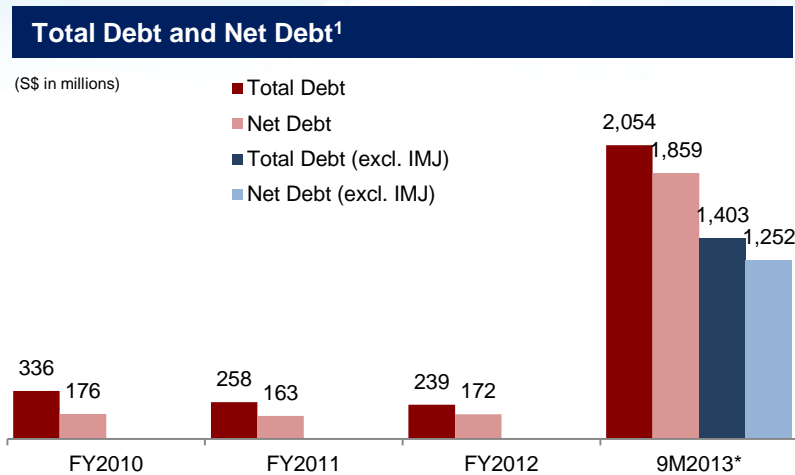
Notes:

\* Includes financial results of IMAS Group from May 2013

1) EBITDA is calculated as earnings before interest expenses, taxes, depreciation and amortisation



# Key Credit Metrics



Notes:

- \* Includes financial results of IMAS Group from May 2013
- 1) Net Debt is calculated as Total Debt less cash, cash equivalents and deposits
- 2) Net Tangible Assets is calculated as Total Equity less intangible assets



**Appendix**

# Financial Overview

Description	2010 Audited	2011 Audited	2012 Audited	9M 2012 Unaudited	9M 2013 Unaudited
<b>In S\$'000 unless otherwise stated</b>					
Revenue	220,103	203,367	204,229	139,350	1,277,923
Gross Profit	52,083	42,173	43,405	18,396	160,249
EBITDA	76,101	68,637	71,569	36,047	119,959
Interest	(14,198)	(15,744)	(18,531)	(14,015)	(46,448)
Profit After Taxation	7,354	6,604	9,648	(7,119)	25,518
Cash and cash equivalents	160,365	95,084	66,769	59,166	194,512
Total Debt	336,389	257,705	239,026	246,188	2,053,515
Net Debt	176,024	162,621	172,257	187,022	1,859,003
Net Tangible Assets	1,270,766	1,276,772	1,283,679	1,267,023	1,309,479
Total Assets	1,724,868	1,646,094	1,626,016	1,608,743	5,093,080
Total Equity	1,272,169	1,278,116	1,286,954	1,270,316	2,578,249
of which: Minority Interests	26,759	24,975	23,512	23,857	607,127
EBITDA Margin	34.6%	33.8%	35.0%	25.9%	9.4%
Net Debt/Net Tangible Assets	0.14x	0.13x	0.13x	0.15x	1.42x
Total Debt/Total Equity	26%	20%	19%	19%	80%

## Financial Overview – Pro Forma

Description	2012 Unaudited	9M 2012 Unaudited	9M 2013 Unaudited
<b>In S\$'000</b>			
Revenue	2,846,422	2,122,149	2,096,429
Gross Profit	370,920	256,579	262,476
EBITDA	282,841	199,626	198,728
Profit After Taxation	103,516	70,688	60,156
<hr/>			
Total Assets	5,083,201	-	5,088,373
Total Equity	2,623,156	-	2,572,779
of which: Minority Interests	625,139	-	624,376