

**GALLANT VENTURE LTD**

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**Third Quarter 2014 Financial Statements and Dividend Announcement****UNAUDITED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2014**

The Board of Directors of Gallant Venture Ltd announces the following unaudited results of the Group for the period ended 30 September 2014.

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

	<b>GROUP</b>					
	<b>3Q 2014</b>	<b>3Q 2013</b>	<b>Incr/ (Decr)</b>	<b>YTD Sep</b>	<b>YTD Sep</b>	<b>Incr/ (Decr)</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>%</b>	<b>2014</b>	<b>2013</b>	<b>%</b>
	<b>S\$'000</b>	<b>S\$'000</b>		<b>S\$'000</b>	<b>S\$'000</b>	
Revenue	<b>591,021</b>	677,268	(13)	<b>1,671,475</b>	1,277,923	31
Cost of sales	<b>(496,057)</b>	(591,766)	(16)	<b>(1,425,227)</b>	(1,117,674)	28
<b>Gross profit</b>	<b>94,964</b>	85,502	11	<b>246,248</b>	160,249	54
General and administrative expenses	<b>(34,440)</b>	(33,578)	3	<b>(97,673)</b>	(60,369)	62
Other operating expenses	<b>(39,701)</b>	(45,849)	(13)	<b>(113,313)</b>	(80,787)	40
Other income net of other expenses	<b>11,864</b>	29,339	(60)	<b>43,887</b>	50,579	(13)
Interest income	<b>7,062</b>	6,544	8	<b>20,659</b>	18,900	9
Finance costs	<b>(30,095)</b>	(26,745)	13	<b>(92,986)</b>	(46,448)	100
Exchange gain / (loss)	<b>8</b>	(3,946)	N.M	<b>4,939</b>	(5,839)	N.M
Share of associated company's result	<b>(16,284)</b>	2,803	N.M	<b>(22,997)</b>	6,630	N.M
<b>(Loss) / profit before tax</b>	<b>(6,622)</b>	14,070	N.M	<b>(11,236)</b>	42,915	N.M
Taxation	<b>(4,441)</b>	(7,505)	(41)	<b>(13,369)</b>	(17,397)	(23)
<b>(Loss) / profit after tax for the period</b>	<b>(11,063)</b>	6,565	N.M	<b>(24,605)</b>	25,518	N.M
<b>(Loss) / profit attributable to:</b>						
Equity holders of the Company	<b>(4,648)</b>	1,806	N.M	<b>(19,677)</b>	7,024	N.M
Non-controlling interest	<b>(6,415)</b>	4,759	N.M	<b>(4,928)</b>	18,494	N.M
	<b>(11,063)</b>	6,565	N.M	<b>(24,605)</b>	25,518	N.M

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					
	3Q 2014 S\$'000	3Q 2013 S\$'000	Incr/ (Decr) %	YTD Sep 2014 S\$'000	YTD Sep 2013 S\$'000	Incr/ (Decr) %
<b>(Loss) / profit after tax for the period</b>	<b>(11,063)</b>	6,565	N.M	<b>(24,605)</b>	25,518	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>3,649</b>	(9,169)	N.M	<b>(11,164)</b>	(13,620)	(18)
Net changes in derivative instrument – net of tax	<b>1,744</b>	6,661	(74)	<b>(1,212)</b>	5,113	N.M
Foreign currency translation	<b>2,914</b>	<u>(88,730)</u>	N.M	<b>4,070</b>	<u>(82,712)</u>	N.M
<b>Other comprehensive (expenses)/income</b>	<b>8,307</b>	(91,238)	N.M	<b>(8,306)</b>	(91,219)	(91)
<b>Total comprehensive (expenses)/income</b>	<b><u>(2,756)</u></b>	<u>(84,673)</u>	<u>(97)</u>	<b><u>(32,911)</u></b>	<u>(65,701)</u>	<u>(50)</u>
<b>Total comprehensive (expenses)/income attributable to:</b>						
Equity holders of the Company	<b>707</b>	(53,050)	N.M	<b>(25,881)</b>	(48,151)	(46)
Non-controlling interest	<b><u>(3,463)</u></b>	<u>(31,623)</u>	<u>(89)</u>	<b><u>(7,030)</u></b>	<u>(17,550)</u>	<u>(60)</u>
	<b><u>(2,756)</u></b>	<u>(84,673)</u>	<u>(97)</u>	<b><u>(32,911)</u></b>	<u>(65,701)</u>	<u>(50)</u>

N.M. denotes "Not Meaningful"

The exchange rate of S\$1=IDR9,585 (31 December 2013: S\$1=IDR9,628) was used for translating IMAS's assets and liabilities at the balance sheet date and S\$1=IDR9,320 (30 September 2013: S\$1=IDR8,031) was used for translating the results for the period.

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

	Group			
	3Q 2014 S\$'000	3Q 2013 S\$'000	YTD Sep 2014 S\$'000	YTD Sep 2013 S\$'000
Amortisation of intangible assets	12	14	97	41
Depreciation of property, plant and equipment	109,621	18,086	193,643	32,598
Depreciation of investment properties	5,635	11,246	16,921	16,858
Gain on sale of property, plant and equipment	(29)	(18,607)	(10,383)	(30,326)
Allowance for impairment loss on trade receivables	5,587	-	13,279	-

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>30.09.14</b>	31.12.13	<b>30.09.14</b>	31.12.13
	<b>S\$'000</b>	S\$'000	<b>S\$'000</b>	S\$'000
<b>Non-current assets</b>				
Intangible assets	1,269,066	1,269,162	294	379
Property, plant and equipment	628,607	603,671	65	48
Investment properties	170,215	186,491	-	-
Financing receivable	340,548	346,477	-	-
Subsidiaries	-	-	2,557,260	2,557,260
Associated companies	178,725	193,436	-	-
Deferred tax assets	40,991	34,780	1,344	1,344
Loan receivables	47,500	47,500	-	-
Notes receivables	260,713	260,683	6,373	6,343
Other non-current assets	258,859	297,843	3,241	2,797
	<b>3,195,224</b>	<b>3,240,043</b>	<b>2,568,577</b>	<b>2,568,171</b>
<b>Current assets</b>				
Land inventories	609,470	597,092	-	-
Other inventories	405,967	478,534	-	-
Financing receivables	388,475	306,259	-	-
Trade and other receivables	535,188	426,871	129,656	121,295
Cash and bank balances	179,002	168,363	6,460	3,062
	<b>2,118,102</b>	<b>1,977,119</b>	<b>136,116</b>	<b>124,357</b>
<b>Total assets</b>	<b>5,313,326</b>	<b>5,217,162</b>	<b>2,704,693</b>	<b>2,692,528</b>
<b>Non-current liabilities</b>				
Deposits from tenants/golf membership	29,091	27,819	90	90
Employee benefits liabilities	23,229	21,647	-	-
Deferred tax liabilities	5,293	4,575	-	-
Other non-current liabilities	1,838	52,312	-	-
Loans and borrowings	703,638	923,783	200,542	494,888
Debt securities	582,553	342,817	405,394	84,124
	<b>1,345,642</b>	<b>1,372,953</b>	<b>606,026</b>	<b>579,102</b>
<b>Current liabilities</b>				
Trade and other payables	414,080	345,002	31,071	18,428
Current tax payable	29,809	16,689	61	595
Current portion of loans and borrowings	796,125	799,744	136,920	134,867
Debt securities	133,806	57,857	-	-
	<b>1,373,820</b>	<b>1,219,292</b>	<b>168,052</b>	<b>153,890</b>
<b>Total liabilities</b>	<b>2,719,462</b>	<b>2,592,245</b>	<b>774,078</b>	<b>732,992</b>
<b>Equity</b>				
Share capital	1,880,154	1,880,154	1,880,154	1,880,154
Other reserves	9,366	16,610	80,000	80,000
Retained profits/(accumulated losses)	85,934	105,611	(29,539)	(618)
<b>Equity attributable to equity holders of the Company</b>	<b>1,975,454</b>	<b>2,002,375</b>	<b>1,930,615</b>	<b>1,959,536</b>
<b>Non-controlling interest</b>	<b>618,410</b>	<b>622,542</b>	<b>-</b>	<b>-</b>
<b>Total equity</b>	<b>2,593,864</b>	<b>2,624,917</b>	<b>1,930,615</b>	<b>1,959,536</b>
<b>Total liabilities and equity</b>	<b>5,313,326</b>	<b>5,217,162</b>	<b>2,704,693</b>	<b>2,692,528</b>

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

	<b>Group</b>	
	<b>30.09.14</b>	<b>31.12.13</b>
	<b>S\$'000</b>	<b>S\$'000</b>
(i) Amount payable in one year or less, or on demand		
Secured	<b>790,754</b>	850,579
Unsecured	<b>139,177</b>	7,022
	<b>929,931</b>	857,601
(ii) Amount repayable after one year		
Secured	<b>700,012</b>	1,180,567
Unsecured	<b>586,179</b>	86,033
	<b>1,286,191</b>	1,266,600
<b>TOTAL</b>	<b>2,216,122</b>	<b>2,124,201</b>

(iii) Details of any collaterals

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

1. Mortgage of land titles over Batamindo Industrial Park;
2. Pledge of shares and accounts of PT Batamindo Investment Cakrawala ("PT BIC"); and
3. Assignment of insurance proceeds, receivables and equipment of PT BIC.
4. Pledge of shares of PT Indomobil Sukses Internasional Tbk ("IMAS").
5. PT Indomobil Sukses Internasional Tbk'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>3Q 2014</b>	<b>3Q 2013</b>	<b>30.09.14</b>	<b>30.09.13</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Cash flows from operating activities</b>				
(Loss)/profit before taxation	<b>(6,622)</b>	14,070	<b>(11,236)</b>	42,915
Adjustments for:				
Amortisation of intangible assets	<b>13</b>	14	<b>97</b>	41
Depreciation of property, plant and equipment	<b>109,621</b>	10,600	<b>193,643</b>	32,598
Depreciation of investment properties	<b>5,635</b>	5,629	<b>16,921</b>	16,858
Net fair value loss on available for sales assets and derivatives	<b>7,738</b>	3,961	<b>(7,034)</b>	(2,039)
Currency translation difference	<b>151,547</b>	(196,566)	<b>227,633</b>	(186,340)
Provision for employee benefits	<b>286</b>	679	<b>(624)</b>	1,716
Provision for impairment loss on trade receivables	<b>5,587</b>	-	<b>13,279</b>	-
Gain on sale of property, plant & equipment	<b>(29)</b>	(18,607)	<b>(10,383)</b>	(30,326)
Share of associated companies' result	<b>14,344</b>	(2,808)	<b>19,175</b>	(6,630)
Interest expense	<b>30,095</b>	26,745	<b>92,986</b>	46,448
Interest income	<b>(7,062)</b>	(6,544)	<b>(20,659)</b>	(18,900)
Cash from operations before changes in working capital	<b>311,153</b>	(162,827)	<b>513,798</b>	(103,659)
Changes in working capital				
Increase in land inventories	<b>(1,698)</b>	(1,739)	<b>(12,378)</b>	(14,197)
Decrease in other inventories	<b>22,723</b>	54,864	<b>72,567</b>	107,990
(Increase)/decrease in operating receivables	<b>(40,714)</b>	1,407	<b>(42,406)</b>	(44,031)
Decrease/(decrease) in operating payables	<b>85,316</b>	(57,052)	<b>76,412</b>	29,880
Cash generated from/(used in) operating activities	<b>376,780</b>	(165,347)	<b>607,993</b>	(24,017)
Income tax paid	<b>(23,491)</b>	(15,272)	<b>(59,646)</b>	(22,910)
Employee benefits paid	<b>(427)</b>	(114)	<b>(933)</b>	(282)
Interest paid	<b>(24,727)</b>	(18,753)	<b>(102,605)</b>	(47,828)
Interest received	<b>1,859</b>	1,299	<b>5,214</b>	1,752
Deposits (refunded to)/collected from tenants/golf members	<b>(233)</b>	(315)	<b>1,272</b>	(1,769)
<b>Net cash generated from/(used in) operating activities</b>	<b>329,761</b>	(198,502)	<b>451,295</b>	(95,054)
<b>Cash flows from investing activities</b>				
Acquisition of intangible assets	-	(4)	-	(4)
Acquisition of property, plant and equipment	<b>(273,916)</b>	(33,424)	<b>(511,601)</b>	(65,939)
Acquisition of subsidiaries, net of cash acquired (Note A)	-	-	-	(919,281)
Acquisition of other assets	<b>(62,820)</b>	32,546	<b>(91,800)</b>	(13,648)
Dividends from associated companies	-	626	-	4,364
Proceeds from sale of property, plant and equipment	<b>19,951</b>	30,282	<b>62,564</b>	46,479
<b>Net cash used in investing activities</b>	<b>(316,785)</b>	30,026	<b>(540,837)</b>	(948,029)

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)**

	<b>Group</b>			
	<b>3Q 2014</b>	<b>3Q 2013</b>	<b>30.09.14</b>	<b>30.09.13</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
Subscription of convertible bond	-	-	-	80,000
Proceeds from other financing activities	<b>61,979</b>	45	<b>398,867</b>	168,970
Repayment to other financing activities	<b>(62,159)</b>	(4,088)	<b>(85,500)</b>	(66,593)
Acquisition of non-controlling interest	-	(357,829)	-	(357,700)
Loan from financial institutions	<b>3,106</b>	501,892	<b>705,398</b>	741,089
Repayment of bank loan	<b>(66,499)</b>	(41,743)	<b>(916,994)</b>	(66,886)
Proceeds from issuance of right issue	-	-	-	675,495
Dividends paid to non-controlling interest	-	1,324	<b>(1,590)</b>	(3,549)
<b>Net cash generated from financing activities</b>	<b>(63,573)</b>	99,601	<b>100,181</b>	1,170,826
<b>Net increase in cash and cash equivalents</b>	<b>(50,597)</b>	(68,875)	<b>10,639</b>	127,743
Cash and cash equivalents at beginning of period	<b>229,599</b>	263,387	<b>168,363</b>	66,769
<b>Cash and cash equivalents at end of period</b>	<b>179,002</b>	194,512	<b>179,002</b>	194,512

**Note A: Acquisition of subsidiaries**

The group acquired subsidiaries during the period and the carrying value of assets and liabilities acquired were as follows:

	<b>Group</b>			
	<b>3Q 2014</b>	<b>3Q 2013</b>	<b>30.09.14</b>	<b>30.09.13</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Net assets acquired</b>				
Total assets	-	-	-	2,320,844
Total liabilities	-	-	-	(1,580,550)
Non-controlling interest	-	-	-	(68,027)
Total identifiable net assets	-	-	-	672,267
Fair value adjustment	-	-	-	1,215,386
Total revised identifiable net assets	-	-	-	1,887,653
Less : Non-controlling interest at fair value	-	-	-	(899,467)
Consideration transferred for the business	-	-	-	988,186
<b>Effect of the acquisition on cashflow:</b>				
Cash consideration	-	-	-	988,186
Less: Cash balance in subsidiaries acquired	-	-	-	(68,905)
Cash outflow on acquisition	-	-	-	(919,281)

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 30 September 2014:**

	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 2013, as restated	1,207,642	-	(2,242)	-	-	(2,838)	58,149	1,260,711	23,440	1,284,151
Profit/(Loss) for the period	-	-	-	-	-	-	5,217	5,217	13,736	18,953
Other comprehensive income	-	-	2,727	(650)	(2,397)	-	-	(320)	337	17
Total comprehensive income/ (expense) for the period	-	-	2,727	(650)	(2,397)	-	5,217	4,897	14,073	18,970
Convertible bond - equity component	-	80,000	-	-	-	-	-	80,000	-	80,000
Issue of new shares	675,495	-	-	-	-	-	-	675,495	-	675,495
Premium on share capital	-	-	-	-	-	26	-	26	-	26
Differences arising from changes in equity and effects of transaction with non-controlling interest	-	-	-	-	-	(32)	-	(32)	-	(32)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	962,413	962,413
Dividend paid	-	-	-	-	-	-	-	-	(4,873)	(4,873)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	-	-	-	129	129
Balance as at 30 June 2013	1,883,137	80,000	485	(650)	(2,397)	(2,844)	63,366	2,021,097	995,182	3,016,279
Profit/(Loss) for the period	-	-	-	-	-	-	1,806	1,806	4,759	6,565
Other comprehensive income	-	-	(51,434)	3,649	(7,071)	-	-	(54,856)	(36,382)	(91,238)
Total comprehensive income/ (expense) for the period	-	-	(51,434)	3,649	(7,071)	-	1,806	(53,050)	(31,623)	(84,673)
Premium on share capital	-	-	-	-	-	(12)	-	(12)	-	(12)
Differences arising from changes in equity and effects of transaction with non-controlling interest	-	-	-	-	-	355	-	355	(39)	316
Dividend paid	-	-	-	-	-	-	-	-	1,326	1,326
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	-	-	-	(357,791)	(357,791)
Balance as at 30 September 2013	1,883,137	80,000	(50,949)	2,999	(9,468)	(2,501)	65,172	1,968,390	607,055	2,575,445

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 30 September 2014:

	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 2014	1,880,154	81,711	(72,641)	5,145	(4,267)	6,662	105,611	2,002,375	622,542	2,624,917
Profit/(loss) for the period	-	-	-	-	-	-	(15,029)	(15,029)	1,487	(13,542)
Other comprehensive income/(expenses)	-	-	1,092	(2,113)	(10,537)	-	-	(11,558)	(5,054)	(16,612)
Total comprehensive income/(expenses) for the period	-	-	1,092	(2,113)	(10,537)	-	(15,029)	(26,587)	(3,567)	(30,154)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(1,590)	(1,590)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(1,040)	-	(1,040)	883	(157)
Balance as at 30 June 2014	1,880,154	81,711	(71,549)	3,032	(14,804)	5,622	90,582	1,974,748	618,268	2,593,016
Profit/(loss) for the period	-	-	-	-	-	-	(4,648)	(4,648)	(6,415)	(11,063)
Other comprehensive income/(expenses)	-	-	1,512	1,246	2,596	-	-	5,354	2,952	8,306
Total comprehensive income/(expenses) for the period	-	-	1,512	1,246	2,596	-	(4,648)	706	(3,463)	(2,757)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	-	-	-	3,605	3,605
Balance as at 30 September 2014	1,880,154	81,711	(70,037)	4,278	(12,208)	5,622	85,934	1,975,454	618,410	2,593,864



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 30 September 2014:**

	Share Capital S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance as at 1 January 2013	1,207,642	-	(14,433)	1,193,209
Convertible bond - equity component	-	80,000	-	80,000
Issue of new shares	675,495	-	-	675,495
Total comprehensive expense for the period	-	-	(4,953)	(4,953)
Balance as at 30 June 2013	1,883,137	80,000	(19,386)	1,943,751
Total comprehensive expense for the period	-	-	17,273	17,273
Balance as at 30 September 2013	1,883,137	80,000	(2,113)	1,961,024
<b>Balance as at 1 January 2014</b>	<b>1,880,154</b>	<b>80,000</b>	<b>(618)</b>	<b>1,959,536</b>
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>(26,119)</b>	<b>(26,119)</b>
<b>Balance as at 30 June 2014</b>	<b>1,880,154</b>	<b>80,000</b>	<b>(26,737)</b>	<b>1,933,417</b>
<b>Total comprehensive expense for the period</b>	<b>-</b>	<b>-</b>	<b>(2,802)</b>	<b>(2,802)</b>
<b>Balance as at 30 September 2014</b>	<b>1,880,154</b>	<b>80,000</b>	<b>(29,539)</b>	<b>1,930,615</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 30 Sep 2014</b>	<b>As at 30 Sep 2013</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 30 September 2014 and 30 September 2013 were 4,824,965,112. The company does not hold any treasury shares as at 30 September 2014 and 30 September 2013.

**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 2013.

**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.**

None.

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>3Q 2014</b>	<b>3Q 2013</b>	<b>YTD Sep 2014</b>	<b>YTD Sep 2013</b>
Net (loss) / income attributable to equity owners of the Company (S\$'000)	<b>(4,648)</b>	1,806	<b>(19,677)</b>	7,024
(i) Based on the weighted average number of ordinary shares on issue (cents)	<b>(0.10)</b>	0.037	<b>(0.41)</b>	0.187
(ii) On a fully diluted basis (cents) <sup>(1)</sup>	<b>(0.10)</b>	0.036	<b>(0.41)</b>	0.180

<sup>(1)</sup> The conversion right of convertible bond has not been included in the calculation of diluted (loss)/profit per share 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>30.09.14</b>	<b>31.12.13</b>	<b>30.09.14</b>	<b>31.12.13</b>
Net asset value per ordinary share	<b>40.94 cents</b>	41.50 cents	<b>40.01 cents</b>	40.61 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 4,824,965,112 ordinary shares as at 30 September 2014 and 31 December 2013

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.**

**3rd Quarter 2014 (3Q 2014) vs. 3rd Quarter 2013 (3Q 2013)**

**Profit & Loss Statement**

The Group's 3Q 2014 revenue was S\$591.0 million which was 12.7% lower than 3Q 2013's S\$677.3 million. IMAS contributed S\$524.2 million to the Group's revenue, lower than 3Q 2013's S\$633.9 million. Lower revenue in IMAS was mainly due to lower passenger car sales and 15.6% weakening of Singapore/Rupiah exchange rate as compared to 3Q 2013. This was mitigated by the launch of new Datsun Low Cost Car in May 2014 and higher car financing revenue.

In line with lower sales, the Group's cost of sales decreased from S\$591.8 million in 3Q 2013 to 3Q 2014's S\$496.1 million, which included IMAS' cost of sales of approximately S\$457.2 million. With contribution from resorts land sales, the Group registered higher gross profit of S\$95.0 million in 3Q 2014 as compared to S\$85.5 million in 3Q 2013.

The Group's 3Q 2014 "general and administrative expenses" was S\$34.4 million as compared to 3Q 2013's S\$33.6 million, which included IMAS's S\$30.1 million. Higher expenses were mainly due to increase in manpower, depreciation charges and Nissan dealership related rental expenses. The Group's 3Q 2014 "other operating expenses" was S\$39.7 million as compared to 3Q 2013's S\$45.8 million, which included IMAS's S\$37.8 million. The decrease was mainly due to write back of accruals that were no longer required but was partially offset by higher passenger car marketing and promotion expenses. The Group's 3Q 2014 "finance costs" including IMAS's S\$20.7 million was S\$30.1 million as compared to 3Q 2013's S\$26.7 million. Higher interest expense was due to IMAS acquisition and higher interest rate as compared to corresponding period.

"Other income net of other expenses" of S\$11.9 million in 3Q 2014, which included IMAS's S\$11.8 million, was lower than 3Q 2013's S\$29.3 million. The decrease was mainly due one-time gain in disposal of property, plant and equipment in corresponding period.

The Group's 3Q 2014 "share of associate's result" was S\$16.3 million loss as compared to 3Q 2013's S\$2.8 million profit and was mainly due to consolidation of share of IMAS associates' results. IMAS' associates have provided additional provisions to incentivize agents in marketing and promoting vehicle sales.

Excluding IMAS's results of S\$16.8 million loss and IMAS acquisition related interest cost, the Group registered net profit of S\$15.9 million as compared to 3Q 2013's S\$4.2 million loss. With the consolidation of IMAS results, the enlarged Group's net loss for the 3Q 2014 was S\$4.6 million as compared to 3Q 2013's S\$1.8 million net profit.

### **9 months 2014 (YTD Sep 2014) vs. 9 months 2013 (YTD Sep 2013)**

**Note:** The YTD Sep 2014 results included consolidation of PT Indomobil Sukses Internasional Tbk's ("IMAS") 9 month results. IMAS is an integrated vehicle assembly, distribution, sales and finance company in Indonesia, carrying brands such as Nissan, Volvo, Suzuki, Hino, Audi and Volkswagen. As the corresponding YTD Sep 2013 results only contain the consolidation impact of IMAS's 5 months results from May to Sep 2013 as it was acquired on 2 May 2013, the consolidated results for YTD Sep 2014 were not strictly comparable to the YTD Sep 2013

### **Profit & Loss Statement**

The Group's YTD Sep 2014 revenue was S\$1,671.5 million, significantly higher than YTD Sep 2013's S\$1,277.9 million. IMAS contributed S\$1,517.0 million in YTD Sep 2014 as compared to the YTD Sep 2013's S\$1,150.7 million as the Group commenced consolidation of IMAS' results from May 2013. During the period under review, IMAS registered lower revenue due to lower passenger car sales and 16.1% weakening of Singapore/Rupiah exchange rate as compared to YTD Sep 2013. This was mitigated by the launch of new Datsun Low Cost Car in May 2014, higher car financing revenue and recognition of resorts land sales of S\$30.1 million.

The Group's cost of sales increased from YTD Sep 2013's S\$1,117.7 million to YTD Sep 2014's S\$1,425.2 million, which included IMAS' cost of sales of S\$1,314.3 million as compared to S\$1,006.7 million for the 5 months in YTD Sep 2013. IMAS' gross profit margin increased from approximately 12.5% in YTD Sep 2013 to 13.4% in YTD Sep 2014. Coupled with contribution from resorts land sales, the Group reported higher gross profit of S\$246.2 million in YTD Sep 2014 as compared with S\$160.2 million in YTD Sep 2013.

The Group's YTD Sep 2014 "general and administrative expenses" was S\$97.7 million as compared to YTD Sep 2013's S\$60.4 million, which included IMAS's S\$87.2 million in YTD Sep 2014 as compared to S\$50.6 million in YTD Sep 2013. Higher expenses were mainly due to increase in manpower, depreciation charges and Nissan dealership related rental expenses. The Group's YTD

Sep 2014 “other operating expenses” was S\$113.3 million as compared to YTD Sep 2013’s S\$80.8 million, which included IMAS’s S\$101.2 million in YTD Sep 2014 as compared to S\$64.2 million in YTD Sep 2013. Higher expenses were mainly due to higher passenger car marketing and promotion expenses and partially offset by write back of accruals that were no longer required. The Group’s YTD Sep 2014 “finance costs” was S\$93.0 million as compared to YTD Sep 2013’s S\$46.4 million which included IMAS’s S\$57.7 million in YTD Sep 2014 as compared to S\$27.3 million in YTD Sep 2013. The increase in finance cost was mainly due to IMAS acquisition and higher interest rate as compared to corresponding period.

“Other income net of other expenses” of S\$43.9 million in YTD Sep 2014 was lower than YTD 2013’s S\$50.6 million, which included IMAS’s contribution of S\$42.5 million as compared to S\$48.4 million in YTD Sep 2013. The decrease was mainly due gain in disposal of property, plant and equipment in the corresponding period.

The Group’s YTD Sep 2014 “share of associate’s result” was S\$23.0 million loss as compared to YTD Sep 2013’s S\$6.6 million profit and was mainly due to consolidation of IMAS’ share of its associates’ results. IMAS’ associates have provided additional provisions to incentivize agents in marketing and promoting vehicle sales.

Excluding IMAS’s loss of S\$15.7 million and IMAS acquisition related interest cost, the Group registered net profit of S\$19.8 million as compared to YTD Sep 2013’s S\$12.3 million net profit. With the consolidation of IMAS, the enlarged Group’s net loss was S\$19.7 million for YTD Sep 2014 as compared to YTD Sep 2013’s S\$7.0 million net profits.

### **Balance Sheet**

The Group’s property, plant and equipment was higher than FY2013’s and was mainly due to cost relating to deployment of passenger car showrooms and service centers in Indonesia.

The Group’s cash and bank balances as at 30 Sep 2014 were S\$179.0 million, representing S\$10.6 million increase from FY2013’s S\$168.4 million. The increase was mainly due to proceeds from bond issue that was used to retire certain external banking loans. The Group’s borrowings and debt securities as at 30 Sep 2014 were S\$2.2 billion. Of the total debt of S\$2.2 billion, S\$755.0 million relates to IMAS’ financial services business.

**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 the Group is hopeful with the launch of Datsun Low Cost Car, it remains cautious of the Indonesian Rupiah exchange rate, and high interest rate.

The Industrial Park and Utilities business are recovering from last global crisis while businesses remain challenging and electricity consumption remains low. With increasing labour cost, foreign currency volatilities and potential surcharge on natural gas purchases, the Industrial Parks’ and Utilities’ margin will be impacted. The Group continues to deliver resorts land sales and is hopeful of higher contributions from Phase 1 of the Lagoi Bay Development.

**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 quarter ended 30 September 2014.

13. ***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 30 September 2014 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>		
<b>PT Asuransi Central Asia</b> Purchase of insurance		766
<b>PT Sumalindo Alam Lestari</b> Purchases		328
<b>PT Indomarco Prismatama</b> Purchases		287
<b>PT Mentari Subur Abadi</b> Purchases		110
<b>SALES</b>		
<b>PT Alam Indah Bintang</b> Sales		(2,152)
<b>PT Straits CM Village</b> Sales		(2,295)
<b>PT Wolfsburg Auto Indonesia</b> Sales		(470)
<b>PT Indofood Sukses Makmur</b> Sales		(637)
<b>PT Indomarco Prismatama</b> Sales		(304)
<b>PT Swadharma Indotama Finance</b> Sales		(108)
<b>PT Indofood CBP Sukses Makmur Tbk</b> Sales		(118)
<b>CONVERTIBLE BOND</b>		
<b>PT Alam Indah Bintang</b> Interest income	(1,778)	

**BY THE ORDER OF THE BOARD**

CHOO KOK KIONG  
EXECUTIVE DIRECTOR AND COMPANY SECRETARY  
3 NOVEMBER 2014

**CONFIRMATION BY DIRECTORS PURSUANT TO RULE 705(5) OF THE LISTING MANUAL**

We confirm on behalf of the Board of Directors of Gallant Venture Ltd., that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the Third Quarter Financial Statements for the period ended 30 September 2014 to be false or misleading in any material aspect.

For and on behalf of the Board

\_\_\_\_\_  
Eugene Cho Park  
CEO / Executive Director

\_\_\_\_\_  
Gianto Gunara  
Executive Director

Date: 3 November 2014