


Second Quarter 2015 Financial Statements and Dividend Announcement
UNAUDITED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2015

The Board of Directors of Gallant Venture Ltd announces the following unaudited results of the Group for the period ended 30 June 2015.

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 30 June			YTD 30 June		
	2nd Qtr 2015 S\$'000	2nd Qtr 2014 S\$'000 Restated	Incr/ (Decr) %	Half year 2015 S\$'000	Half year 2014 S\$'000 Restated	Incr/ (Decr) %
Revenue	490,301	554,260	(12)	1,067,612	1,080,454	(1)
Cost of sales	(408,195)	(471,315)	(13)	(908,867)	(929,170)	(2)
Gross profit	82,106	82,945	(1)	158,745	151,284	5
General and administrative expenses	(40,645)	(34,586)	18	(79,660)	(71,346)	12
Other operating expenses	(41,878)	(37,921)	10	(83,330)	(73,612)	13
Other income net of other expenses	16,468	9,833	67	42,661	32,023	33
Interest income	7,172	6,850	5	14,332	13,597	5
Finance costs	(39,519)	(36,805)	7	(70,878)	(62,891)	13
Exchange (loss) / gain	(1,420)	2,787	N.M	(4,277)	4,931	N.M
Share of associated company's result	(5,111)	(4,892)	4	(6,724)	(6,713)	N.M
Loss before tax	(22,827)	(11,789)	94	(29,131)	(12,727)	129
Taxation	(10,708)	(3,772)	184	(13,621)	(6,899)	97
Loss after tax for the period	(33,535)	(15,561)	116	(42,752)	(19,626)	118
Loss attributable to:						
Equity holders of the Company	(31,148)	(14,302)	118	(41,558)	(19,378)	114
Non-controlling interest	(2,387)	(1,259)	90	(1,194)	(248)	N.M
	(33,535)	(15,561)	116	(42,752)	(19,626)	118

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 30 Jun			YTD 30 Jun		
	2nd Qtr 2015 S\$'000	2nd Qtr 2014 S\$'000 Restated	Incr/ (Decr) %	Half year 2015 S\$'000	Half year 2014 S\$'000 Restated	Incr/ (Decr) %
Loss after tax for the period	(33,535)	(15,561)	116	(42,752)	(19,626)	118
Other comprehensive (expenses)/income:						
<u>Items that are/may be reclassified subsequently to profit or loss</u>						
Net changes in available-for sales investment	(12,424)	(778)	N.M	(27,928)	(14,813)	89
Net changes in derivative instrument – net of tax	1,907	334	N.M	7,119	(2,956)	N.M
Foreign currency translation	(24,213)	(31,353)	(23)	(23,022)	1,156	N.M
<u>Items that will not be reclassified subsequently to profit or loss</u>						
Actuarial losses arising during the period	(1,538)	-	N.M	(148)	-	N.M
Other comprehensive expenses	(36,268)	(31,797)	14	(43,979)	(16,613)	165
Total comprehensive expenses	(69,803)	(47,358)	47	(86,731)	(36,239)	139
Total comprehensive expenses attributable to:						
Equity holders of the Company	(54,390)	(35,115)	55	(71,478)	(30,937)	131
Non-controlling interest	(15,413)	(12,243)	26	(15,253)	(5,302)	188
	(69,803)	(47,358)	47	(86,731)	(36,239)	139

N.M. denotes "Not Meaningful"

Note:

The results for 2Q 2014 and 1H 2014 have been restated to include the amortisation charge and the corresponding tax adjustment arising from recording of intangible assets from the finalisation of the Purchase Price Allocation (PPA) exercise. This is in accordance with FRS 103 Business Combinations for the acquisition of PT Indomobil Sukses Internasional Tbk ("IMAS") in FY 2013.

The exchange rate of S\$1=IDR9,895 (30 June 2014: S\$1=IDR9,583) was used for translating IMAS's assets and liabilities at the balance sheet date and S\$1=IDR9,558 (30 June 2014: S\$1=IDR9,314) 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			
	Quarter ended 30 Jun		YTD 30 Jun	
	2nd Qtr	2nd Qtr	Half year	Half year
	2015	2014	2015	2014
	S\$'000	S\$'000	S\$'000	S\$'000
		Restated		Restated
Amortisation of intangible assets	4,096	4,107	8,199	8,205
Depreciation of property, plant and equipment	21,742	21,173	42,804	44,038
Depreciation of investment properties	5,645	5,644	11,285	11,286
Gain on sale of property, plant and equipment	(247)	(2,697)	(413)	(10,354)
Gain on disposal of associates	-	-	(9,223)	-
Allowance for impairment loss on trade receivables	4,654	3,726	10,380	7,692

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.**

	Group		Company	
	30.06.15	31.12.14	30.06.15	31.12.14
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Intangible assets	796,823	805,013	197	261
Property, plant and equipment	660,352	676,393	43	59
Investment properties	153,503	164,675	-	-
Financing receivable	359,561	357,510	-	-
Subsidiaries	-	-	2,557,260	2,557,260
Associated companies	221,205	239,393	-	-
Deferred tax assets	46,228	44,087	6,211	6,211
Loan receivables	47,500	47,500	-	-
Notes receivables	261,093	260,957	6,752	6,617
Other non-current assets	291,093	337,617	3,917	3,542
	2,837,358	2,933,145	2,574,380	2,573,950
Current assets				
Land inventories	620,853	609,798	-	-
Other inventories	394,915	366,510	-	-
Financing receivables	418,928	408,575	-	-
Trade and other receivables	581,028	546,454	121,384	119,985
Cash and bank balances	178,700	161,292	46,306	525
	2,194,424	2,092,629	167,690	120,510
Total assets	5,031,782	5,025,774	2,742,070	2,694,460
Non-current liabilities				
Deposits from tenants/golf membership	27,470	27,664	90	90
Employee benefits liabilities	27,503	25,672	-	-
Deferred tax liabilities	96,034	97,882	-	-
Other non-current liabilities	43,354	46,253	-	2,683
Loans and borrowings	448,078	700,532	-	209,925
Debt securities	824,707	586,311	716,082	414,274
	1,467,146	1,484,314	716,172	626,972
Current liabilities				
Trade and other payables	373,833	386,462	13,051	19,037
Current tax payable	27,017	16,534	20	566
Current portion of loans and borrowings	956,712	811,804	134,103	137,503
Debt securities	110,428	141,594	-	-
	1,467,990	1,356,394	147,174	157,106
Total liabilities	2,935,136	2,840,708	863,346	784,078
Equity				
Share capital	1,880,154	1,880,154	1,880,154	1,880,154
Other reserves	(2,311)	28,373	80,000	80,000
Retained profits/(accumulated losses)	60,456	102,014	(81,430)	(49,772)
Equity attributable to equity holders of the Company	1,938,299	2,010,541	1,878,724	1,910,382
Non-controlling interest	158,347	174,525	-	-
Total equity	2,096,646	2,185,066	1,878,724	1,910,382
Total liabilities and equity	5,031,782	5,025,774	2,742,070	2,694,460

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

	Group	
	30.06.15	31.12.14
	S\$'000	S\$'000
(i) Amount payable in one year or less, or on demand		
Secured	953,378	946,595
Unsecured	113,762	6,803
	1,067,140	953,398
(ii) Amount repayable after one year		
Secured	444,373	872,476
Unsecured	828,412	414,367
	1,272,785	1,286,843
 TOTAL	 2,339,925	 2,240,241

(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. 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.**

	Group			
	Quarter ended		Half year ended	
	2Q 2015 S\$'000	2Q 2014 S\$'000 Restated	30.06.15 S\$'000	30.06.14 S\$'000 Restated
Cash flows from operating activities				
Loss before taxation	(22,827)	(11,789)	(29,131)	(12,727)
Adjustments for:				
Amortisation of intangible assets	4,096	4,107	8,199	8,205
Depreciation of property, plant and equipment	21,742	21,173	42,804	44,038
Depreciation of investment properties	5,645	5,644	11,285	11,286
Fair value gain on derivatives instruments	-	(51,437)	-	-
Currency translation difference	32,082	(121,958)	13,415	(22,641)
Provision for / (reversal of) employee benefits	4,176	599	2,219	(910)
Allowance for impairment loss on trade receivables	4,654	3,726	10,380	7,692
Gain on sale of property, plant & equipment	(247)	(2,697)	(413)	(10,354)
Gain on disposal of associates	-	-	(9,223)	-
Share of associated companies' results	5,111	3,132	6,724	4,931
Interest expense	39,519	36,805	70,878	62,891
Interest income	(7,172)	(6,850)	(14,332)	(13,597)
Cash from operations before changes in working capital	86,779	(119,545)	112,805	78,814
Changes in working capital				
Increase in land inventories	(4,434)	(7,141)	(11,055)	(10,680)
Decrease / (increase) in other inventories	37,172	67,065	(28,405)	49,844
Decrease / (increase) in operating receivables	22,097	116,730	(32,367)	(58,124)
(Decrease) / increase in operating payables	(91,987)	(9,167)	18,065	15,023
Cash generated from operating activities	49,627	47,942	59,043	74,877
Income tax paid	(13,015)	(44,745)	(37,624)	(48,844)
Employee benefits paid	(364)	(322)	(466)	(506)
Interest paid	(45,804)	(28,471)	(72,607)	(77,878)
Interest received	1,673	(8,822)	3,705	3,355
Deposits (refunded to) / collected from tenants/golf members	(1,259)	44	(194)	1,505
Net cash used in operating activities	(9,142)	(34,374)	(48,143)	(47,491)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(27,277)	(34,288)	(49,456)	(90,503)
Acquisition of intangible assets	(1)	(4)	(9)	(4)
Acquisition of other assets	-	32	-	-
Acquisition of investment properties	(68)	-	(113)	-
Acquisition of associates	(6,573)	(4,801)	(7,986)	(7,339)
Proceeds from disposal of associates	-	-	21,060	-
Proceeds from sale of property, plant and equipment	733	26,714	1,927	42,613
Net cash used in investing activities	(33,186)	(12,347)	(34,577)	(55,233)

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		Half year ended	
	2Q 2015	2Q 2014	30.06.15	30.06.14
	S\$'000	S\$'000	S\$'000	S\$'000
		Restated		Restated
Proceeds from other financing activities	274,413	336,766	353,883	336,888
Repayment to other financing activities	(139,401)	(22,198)	(145,081)	(23,341)
Proceeds from bank borrowings	1,017,379	125,944	1,073,708	702,292
Repayment of bank borrowings	(1,092,055)	(335,979)	(1,177,866)	(850,495)
Dividends paid to non-controlling interest	-	(1,590)	-	(1,590)
Net cash generated from financing activities	60,336	102,943	104,644	163,754
Net increase in cash and cash equivalents	18,008	56,222	21,924	61,030
Cash and cash equivalents at beginning of period	165,299	180,370	161,292	168,363
Effect of currency translation on cash and cash equivalent	(4,607)	(6,993)	(4,516)	206
Cash and cash equivalents at end of period	178,700	229,599	178,700	229,599

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 June 2015:

	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	94,497	1,991,261	157,590	2,148,851
(Loss)/profit for the period, as reported	-	-	-	-	-	-	(2,902)	(2,902)	1,879	(1,023)
Prior year adjustment	-	-	-	-	-	-	(2,174)	(2,174)	(868)	(3,042)
(Loss)/profit for the period, as restated	-	-	-	-	-	-	(5,076)	(5,076)	1,011	(4,065)
Other comprehensive income/(expenses)	-	-	21,589	(2,352)	(9,983)	-	-	9,254	5,930	15,184
Total comprehensive income/(expenses) for the period	-	-	21,589	(2,352)	(9,983)	-	(5,076)	4,178	6,941	11,119
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(1,034)	-	(1,034)	1,240	206
Balance as at 31 March 2014, as restated	1,880,154	81,711	(51,052)	2,793	(14,250)	5,628	89,421	1,994,405	165,771	2,160,176
Loss for the period	-	-	-	-	-	-	(14,302)	(14,302)	(1,259)	(15,561)
Other comprehensive (expenses)/income	-	-	(20,497)	239	(554)	-	-	(20,812)	(10,984)	(31,796)
Total comprehensive (expenses)/income for the period	-	-	(20,497)	239	(554)	-	(14,302)	(35,114)	(12,243)	(47,357)
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(1,590)	(1,590)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(6)	-	(6)	(357)	(363)
Balance as at 30 June 2014, as restated	1,880,154	81,711	(71,549)	3,032	(14,804)	5,622	75,119	1,959,285	151,581	2,110,866

Note:

The prior year adjustment arose from the completion of Purchase Price Allocation ("PPA") during the current financial period pertaining to the acquisition of PT Indomobil Sukses Internasional Tbk in FY 2013.

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 June 2015:

	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 2015	1,880,154	81,711	(62,341)	3,446	(315)	5,872	102,014	2,010,541	174,525	2,185,066
(Loss)/profit for the period	-	-	-	-	-	-	(10,410)	(10,410)	1,193	(9,217)
Other comprehensive (expenses)/income	-	-	(68)	3,726	(11,028)	692	-	(6,678)	(1,033)	(7,711)
Total comprehensive (expenses)/income for the period	-	-	(68)	3,726	(11,028)	692	(10,410)	(17,088)	160	(16,928)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(592)	-	(592)	449	(143)
Balance as at 31 March 2015	1,880,154	81,711	(62,409)	7,172	(11,343)	5,972	91,604	1,992,861	175,134	2,167,995
(Loss)/profit for the period	-	-	-	-	-	-	(31,148)	(31,148)	(2,387)	(33,535)
Other comprehensive (expenses)/income	-	-	(14,794)	1,363	(8,837)	(974)	-	(23,242)	(13,026)	(36,268)
Total comprehensive (expenses)/income for the period	-	-	(14,794)	1,363	(8,837)	(974)	(31,148)	(54,390)	(15,413)	(69,803)
Changes in interest in subsidiaries and effect of transaction with non-controlling interest	-	-	-	-	-	(172)	-	(172)	(1,374)	(1,546)
Balance as at 30 June 2015	1,880,154	81,711	(77,203)	8,535	(20,180)	4,826	60,456	1,938,299	158,347	2,096,646

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 June 2015:

	Share Capital S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance as at 1 January 2014	1,880,154	80,000	(618)	1,959,536
Total comprehensive expense for the period	-	-	(20,666)	(20,666)
Balance as at 31 March 2014	1,880,154	80,000	(21,284)	1,938,870
Total comprehensive expense for the period	-	-	(5,453)	(5,453)
Balance as at 30 June 2014	1,880,154	80,000	(26,737)	1,933,417
Balance as at 1 January 2015	1,880,154	80,000	(49,772)	1,910,382
Total comprehensive expense for the period	-	-	(10,965)	(10,965)
Balance as at 31 March 2015	1,880,154	80,000	(60,737)	1,899,417
Total comprehensive expense for the period	-	-	(20,693)	(20,693)
Balance as at 30 June 2015	1,880,154	80,000	(81,430)	1,878,724

- 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:

	As at 30 Jun 2015	As at 30 Jun 2014
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 June 2015 and 30 June 2014 were 4,824,965,112. The company does not hold any treasury shares as at 30 June 2015 and 30 June 2014.

- 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 2014.

- 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 2015). The adoption of these standards and interpretations does not have any effect on the financial performance or position of the Group and the Company.

Prior year adjustment in accordance with FRS 103 Business Combinations

The comparative figures for 2Q 2014 and 1H 2014 have been restated to reflect the effects of the retrospective adjustment arising from the finalisation of the provisional Purchase Price Allocation (PPA), relating to the acquisition of 52.35% of PT Indomobil Sukses Internasional Tbk ("PT IMAS") which was acquired during the financial year ended 31 December 2013.

In accordance with FRS 103 Business Combinations, the provisional goodwill previously recognised has been retrospectively adjusted to reflect the recognition of dealership, distributorship, inventory and associates.

Accordingly, the results for 2Q 2014 and 1H 2014 have been restated to include amortisation and the corresponding reduction in income tax from the finalisation of the PPA exercise. The amortisation charged, income tax and non-controlling interests have been restated by S\$4,056,000, S\$1,014,000 and S\$868,000 respectively for 2Q 2014 and S\$8,114,000, S\$2,030,000 and S\$1,735,000 respectively for 1H 2014.

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:

	Group			
	2nd Qtr 2015	2nd Qtr 2014 Restated	Half year 2015	Half year 2014 Restated
Net (loss) / income attributable to equity owners of the Company (S\$'000)	(31,148)	(14,302)	(41,558)	(19,378)
(i) Based on the weighted average number of ordinary shares on issue (cents)	(0.646)	(0.296)	(0.861)	(0.402)
(ii) On a fully diluted basis (cents) ⁽¹⁾	(0.646)	(0.296)	(0.861)	(0.402)

⁽¹⁾ The conversion right of convertible bond has not been included in the calculation of diluted profit/(loss) 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.**

	Group		Company	
	30.06.15	31.12.14	30.06.15	31.12.14
Net asset value per ordinary share	40.17 cents	41.67 cents	38.94 cents	39.60 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 June 2015 and 31 December 2014

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.**

2nd Quarter 2015 (2Q 2015) vs. 2nd Quarter 2014 (2Q 2014) (Restated)

Profit & Loss Statement

IMAS's 2Q 2015 revenue was approximately S\$447.6 million as compared to S\$507.4 million in 2Q 2014. The Group (excluding IMAS) registered lower revenue of S\$42.7 million as compared to S\$46.9 million in 2Q 2014. Consolidated Group revenue was S\$490.3 million, representing 11.5% lower than 2Q 2014's S\$554.3 million. Lower Consolidated Group revenue was mainly due to lower vehicle sales and heavy equipment business in IMAS.

IMAS's 2Q 2015 cost of sales was approximately S\$374.1 million as compared to previous period's S\$434.6 million. The Group's (excluding IMAS) cost of sales was S\$34.1 million as compared to S\$36.7

million in 2Q 2014. Consolidated Group's cost of sales was S\$408.2 million, lower than 2Q 2014's S\$471.3 million and was in line with lower revenue in the automotive segment and lower fuel cost in the Utilities segment. In line with lower revenue, the Group registered marginally lower gross profit of S\$82.1 million in 2Q 2015 as compared to S\$82.9 million in 2Q 2014.

IMAS's 2Q 2015 "general and administrative expenses" was S\$30.8 million as compared to S\$27.5 million in 2Q 2014. The Group's (excluding IMAS) "general and administrative expenses" was S\$5.8 million as compared to 2Q 2014's S\$3.4 million. The Consolidated Group's "general and administrative expenses" was S\$40.6 million as compared to 2Q 2014's S\$34.6 million. Higher expenses were mainly due to higher manpower costs and provision for doubtful debts in the automotive segment.

IMAS's 2Q 2015 "other operating expenses" was S\$36.7 million as compared to 2Q 2014's S\$32.8 million. The Group's (excluding IMAS) "other operating expenses" was S\$5.2 million as compared to S\$5.1 million in 2Q 2014. The Consolidated Group's "other operating expenses" was S\$41.9 million as compared to 2Q 2014's S\$37.9 million. Higher expenses were mainly due higher manpower costs and rental expenses.

IMAS's 2Q 2015 "other income net of other expenses" was S\$16.3 million as compared to S\$9.6 million in 2Q 2014. The Group's (excluding IMAS) "other income net of other expenses" was S\$0.2 million as compared to S\$0.2 million in 2Q 2014. The Consolidated Group's "other income net of other expenses" was S\$16.5 million in 2Q 2015 which was higher than 1Q 2014's S\$9.8 million. This was mainly due to gain on disposal of non-core investments.

IMAS's 2Q 2015 "finance costs" was S\$19.4 million as compared to S\$20.9 million in 2Q 2014. The Group's (excluding IMAS) "finance costs" was S\$20.1 million as compared to S\$15.9 million in 2Q 2014.

The Consolidated Group's "finance costs" was S\$39.5 million as compared to S\$36.8 million in 2Q 2014. Higher Group's "finance costs" was mainly due to higher interest rates on the bank borrowings.

The Consolidated Group's 2Q 2015 "share of associate's results" was S\$5.1 million loss as compared to 2Q 2014's S\$4.9 million loss and was mainly due to price competition in the vehicle manufacture business which has impacted IMAS associates' margin.

IMAS's 2Q 2015 net loss was S\$8.8 million as compared to S\$3.6 million in 2Q 2014. Excluding IMAS, the net loss attributable to the equity holders of the Company (excluding IMAS), was S\$21.9 million as compared to S\$ 8.5 million loss in 2Q 2014. Higher loss was mainly due to higher interest cost on IMAS Acquisition related loans, manpower costs and foreign exchange loss.

Half Year 2015 (1H 2015) vs. Half Year 2014 (1H 2014) (Restated)

Profit & Loss Statement

IMAS's 1H 2015 revenue was approximately S\$984.0 million as compared to S\$992.8 million in 1H 2014. The Group (excluding IMAS) registered lower revenue of S\$83.6 million as compared to S\$87.7 million in 1H 2014. Consolidated Group revenue was S\$1,067.6 million, representing 1.2% lower than 1H 2014's S\$1,080.5 million. Lower Consolidated Group revenue was mainly due to weakening of Singapore/Rupiah exchange rate and recognition of resorts land sales was lower by S\$5.1 million in 1H 2015. In Indonesian Rupiahs term, IMAS's revenue actually increased by 1.6% but after SGD translation, revenue registered 0.9% decrease.

IMAS's 1H 2015 cost of sales was approximately S\$841.1 million as compared to previous period's S\$857.1 million. The Group's (excluding IMAS) cost of sales was S\$67.8 million as compared to S\$72.1 million in 1H 2014. Consolidated Group's cost of sales was S\$908.9 million, lower than 1H 2014's S\$929.2 million and was in line with lower revenue from the automotive segment and lower fuel cost in the utilities segment. Accordingly, the Group registered higher gross profit of S\$158.7 million in 1H 2015 as compared to S\$151.3 million in 1H 2014.

IMAS's 1H 2015 "general and administrative expenses" was S\$61.7 million as compared to S\$57.1 million in 1H 2014. The Group's (excluding IMAS) "general and administrative expenses" was S\$9.7

million as compared to 1H 2014's S\$6.2 million. The Consolidated Group's "general and administrative expenses" was S\$79.7 million as compared to 1H 2014's S\$71.3 million. Higher expenses were mainly due to higher manpower costs and provision for doubtful debts in the automotive segment.

IMAS's 1H 2015 "other operating expenses" was S\$73.0 million as compared to 1H 2014's S\$63.4 million. The Group's (excluding IMAS) "other operating expenses" was S\$10.3 million as compared to S\$10.2 million in 1H 2014. The Consolidated Group's "other operating expenses" was S\$83.3 million as compared to 1H 2014's S\$73.6 million. Higher expenses were mainly due higher manpower costs, rental expenses and provision for impairment in automotive segment.

IMAS's 1H 2015 "other income net of other expenses" was S\$39.5 million as compared to S\$30.7 million in 1H 2014. The Group's (excluding IMAS) "other income net of other expenses" was S\$3.2 million as compared to S\$1.3 million in 1H 2014. The Consolidated Group's "other income net of other expenses" was S\$42.7 million in 1H 2015 which was higher than 1H 2014's S\$32.0 million. This was mainly due to gain on disposal of non-core investments.

IMAS's 1H 2015 "finance costs" was S\$37.4 million as compared to S\$37.0 million in 1H 2014. The Group's (excluding IMAS) "finance costs" was S\$33.5 million as compared to S\$25.9 million in 1H 2014. The Consolidated Group's "finance costs" was S\$70.9 million as compared to S\$62.9 million in 1H 2014. Higher Group's "finance costs" was mainly due to higher IMAS Acquisition related interest cost and higher interest rates on the bank borrowings.

The Consolidated Group's 1H 2015 "share of associate's results" was S\$6.7 million loss was mainly due price competition in the vehicle assembly business which has impacted IMAS associates' margin.

IMAS's 1H 2015 net loss was S\$6.5 million as compared to S\$3.1 million profit in 1H 2014. Excluding IMAS, the net loss attributable to the equity holders of the Company (excluding IMAS) was S\$32.1 million as compared to S\$ 16.2 million loss in 1H 2014. Higher loss was mainly due to higher interest cost on IMAS Acquisition related loans, manpower costs and foreign exchange loss.

Balance Sheet

The Group's cash and bank balances as at 30 June 2015 were S\$178.7 million, representing S\$17.4 million increase from FY2014's S\$161.3 million. The increase was mainly due to proceeds raised from bond issue for refinancing existing syndicated term loans and for working capital. The Group's borrowings and debt securities as at 30 June 2015 were S\$2.3 billion, roughly the same as at 31 March 2015. Of the total debt of S\$2.3 billion, S\$816.7 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 IMAS's business continues to show growth, the Company remains cautious of weakening Indonesian Rupiah.

With increasing labour cost, foreign currency volatilities and potential surcharge on natural gas purchase, the Industrial Parks' and Utilities' margin will be impacted. The Group will continue to deliver resorts land sales and is hopeful of continued contributions from Phase 1 of the Lagoi Bay Development and incremental utilities and support service revenue from new hotel openings 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 quarter ended 30 June 2015.

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 June 2015 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
PURCHASES		
PT Asuransi Central Asia Insurance expenses		612
PT Herwido Rintis Management services		121
PT Indormarco Prismaatama Purchases		458
SALES		
PT Alam Indah Bintan Sales		(1,100)
PT Straits CM Village Sales		(1,066)
PT Indomarco Prismaatama Sales		(117)
PT Swadharma Indotama Finance Sales		(106)
PT Tunas Karya Indoswasta Sales		(101)
CONVERTIBLE BOND		
PT Alam Indah Bintan Interest income	(1,293)	

BY THE ORDER OF THE BOARD

CHOO KOK KIONG
EXECUTIVE DIRECTOR AND COMPANY SECRETARY
11 AUGUST 2015

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 Second Quarter Financial Statements for the period ended 30 June 2015 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: 11 August 2015