



GALLANT VENTURE LTD.
Annual General Meeting
26 June 2020

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Financial Highlights

Financial Performance

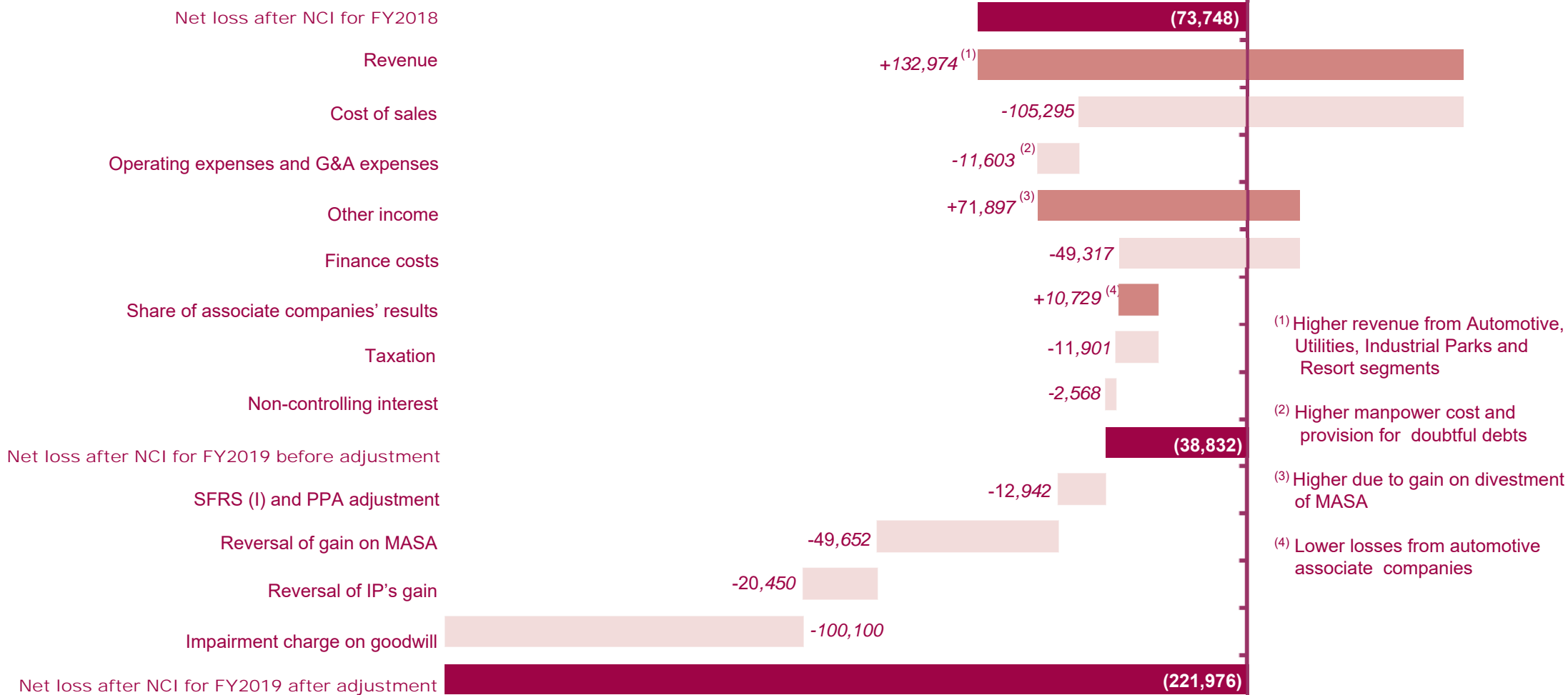
(S\$ million)	FY 2018	FY 2019	Variance	Comment
Revenue	1,832.7	1,965.7	+7.3%	▪ Higher revenue from Automotive, Industrial Parks and Resorts segments
Gross profit	362.4	390.2	+7.7%	▪ Higher margin from the increased revenue from financial services, after sales services and vehicle rental related business
Operating profit	49.6	42.2	-14.9%	▪ Higher manpower related cost and provision for doubtful debts
EBITDA	195.7	267.7	+36.8%	▪ Higher other income from gain on the divestment of MASA
Net loss attributable to shareholder before adjustment	(50.3)	(38.8)	+22.9%	▪ Higher financing expenses
SFRS (I) adjustment	(4.8)	(4.2)		
PPA adjustment	(8.7)	(8.7)		
Reversal of gain on MASA	-	(49.7)		
Reversal of IP's gain	(9.9)	(20.5)		
Impairment charge on goodwill	-	(100.1)		
Net loss attributable to shareholder after adjustment	(73.7)	(222.0)	-201.2%	

Financial Highlights

Profit and Loss

S\$'000

(220,000) (195,000) (170,000) (145,000) (120,000) (95,000) (70,000) (45,000) (20,000) 5,000 30,000 55,000



Financial Highlights (cont'd)

Balance Sheet and Ratios

Figures in S\$ million	31 Dec 2018	31 Dec 2019
Intangible assets	716.2	644.1
Property, plant and equipment	769.1	1,153.4
Investment properties	182.2	101.8
Inventories	359.6	274.6
Land under developments	594.7	595.2
Trade and financing receivables	1,903.5	2,069.8
Cash and cash equivalents	228.9	230.5
Others	496.1	499.6
Total assets	5,250.3	5,569.0
Total debts	2,799.3	3,291.2
Trade and other payables	505.3	495.6
Others	213.4	263.1
Total liabilities	3,518.0	4,049.9
Shareholder equity	1,438.4	1,246.5
Total equity	1,732.4	1,519.1
Total debts/Total equity	1.62x	2.17x
Total net debts/Total equity	1.48x	2.01x
Net asset value per share (S\$ cents)	26.95	22.98
Loss per share (S\$ cents)	(1.382)	(4.153)

Segment Performance

Automotive

AUTOMOTIVE (S\$ million)	FY 2018	FY 2019	Variance	Comment
Revenue	1,666.6	1,792.2	+7.5%	▪ Higher revenue from financial services, passenger vehicle, vehicle rental related business and distribution of fuel and lubricants
Gross Profit	325.6	356.5	+9.5%	▪ Contributions from higher margin financial services and vehicle rental related businesses
Operating Profit	56.7	53.0	-6.5%	▪ Higher manpower related costs and provision for doubtful debts
EBITDA	159.9	231.9	+45.0%	▪ Higher other income from gain on the divestment of MASA
NPAT before adjustment	9.6	14.3	+49.0%	
SFRS (I) adjustment	(7.2)	(6.4)		
PPA adjustment	(12.2)	(12.2)		
Reversal of gain on MASA	-	(69.4)		
Reversal of IP's gain	(13.9)	(28.6)		
Impairment charge on goodwill	-	(100.1)		
NPAT after adjustment	(23.7)	(202.4)	N.M	
Total Assets	2,623.4	4,192.2	+59.8%	

Segment Performance (cont'd)

Automotive (cont'd)

NEW PRODUCT LAUNCHED



PETROL KIOSK (MOBIL)



AWARDS & ACCOLADES



Segment Performance

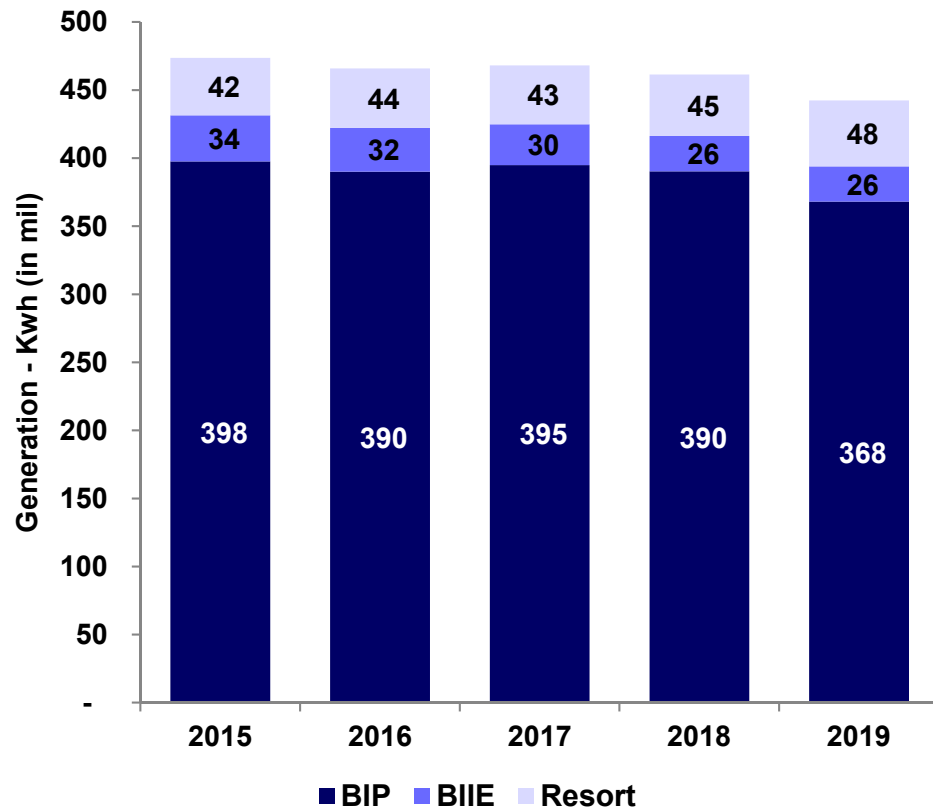
Utilities

UTILITIES (S\$ million)	FY2018	FY2019	Variance	Comment
Revenue	100.2	104.5	+4.3%	▪ Higher electricity revenue from industrial park in Batam and Resorts.
Gross Profit	32.6	29.2	-10.4%	▪ Higher power generation costs in Batam but partially offset by lower costs in Bintan
Operating Profit	24.5	22.1	-9.8%	▪ In tandem with lower GP
EBITDA	38.0	34.4	-9.5%	▪ In line with lower operating profit
NPAT	15.5	13.4	-13.5%	▪ Higher financing expenses
Total Assets	139.2	136.9	-1.7%	

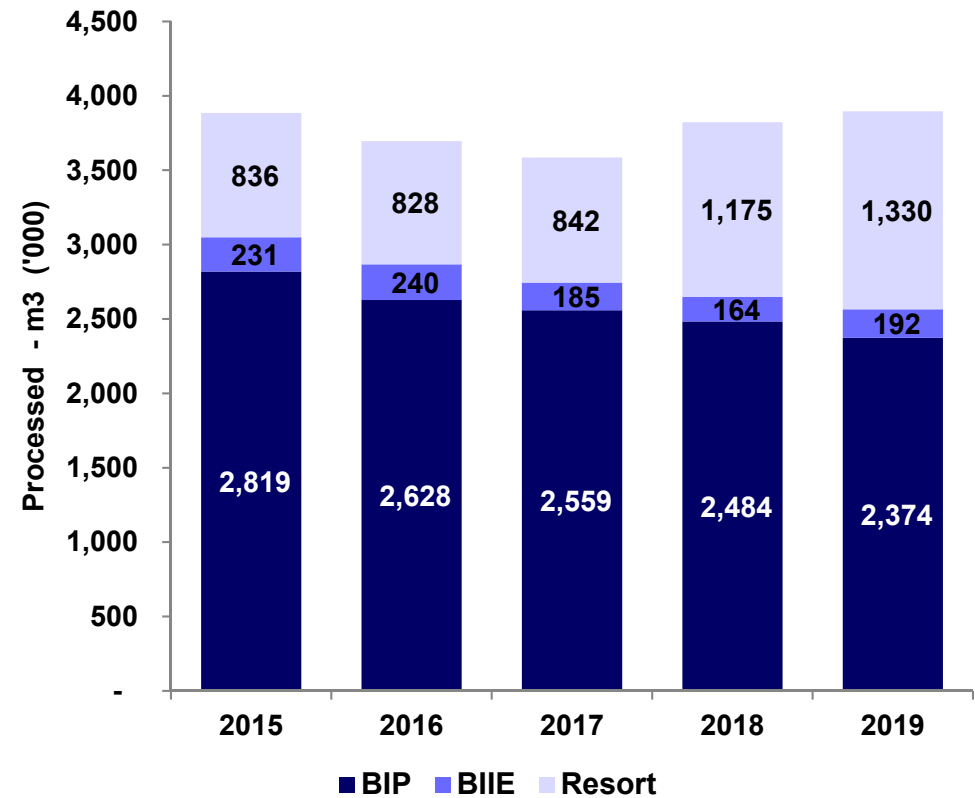
Segment Performance (cont'd)

Utilities (cont'd)

ELECTRICITY PRODUCTION



WATER PROCESSED



Segment Performance

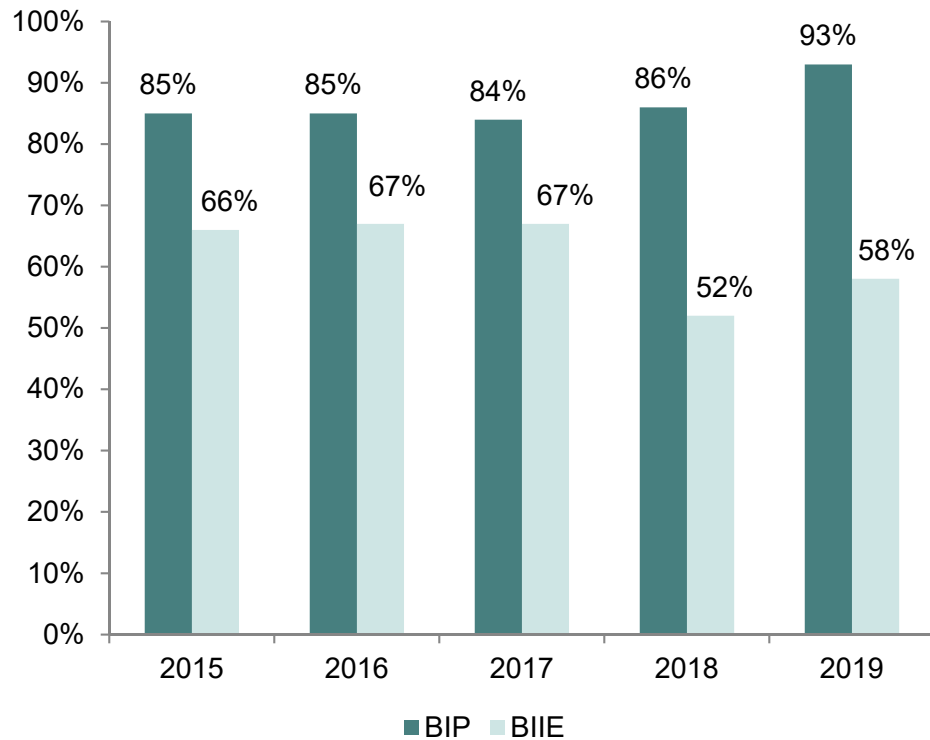
Industrial Parks

INDUSTRIAL PARKS (S\$ million)	FY2018	FY2019	Variance	Comment
Revenue	36.2	37.7	+4.1%	▪ Higher revenue from factory related rental income
Gross Loss	(2.8)	(1.1)	+60.7%	▪ In line with higher occupancy rate in Batamindo Industrial Park
Operating Loss	(7.7)	(7.6)	+1.3%	▪ Write back of S\$1.8 million provision on marketing expenses in 2018. Improvement was in line with improved occupancy rate
EBITDA	20.2	19.6	-3.0%	
NPAT	(10.6)	(10.7)	-0.9%	
Total Assets	101.8	84.3	-17.2%	

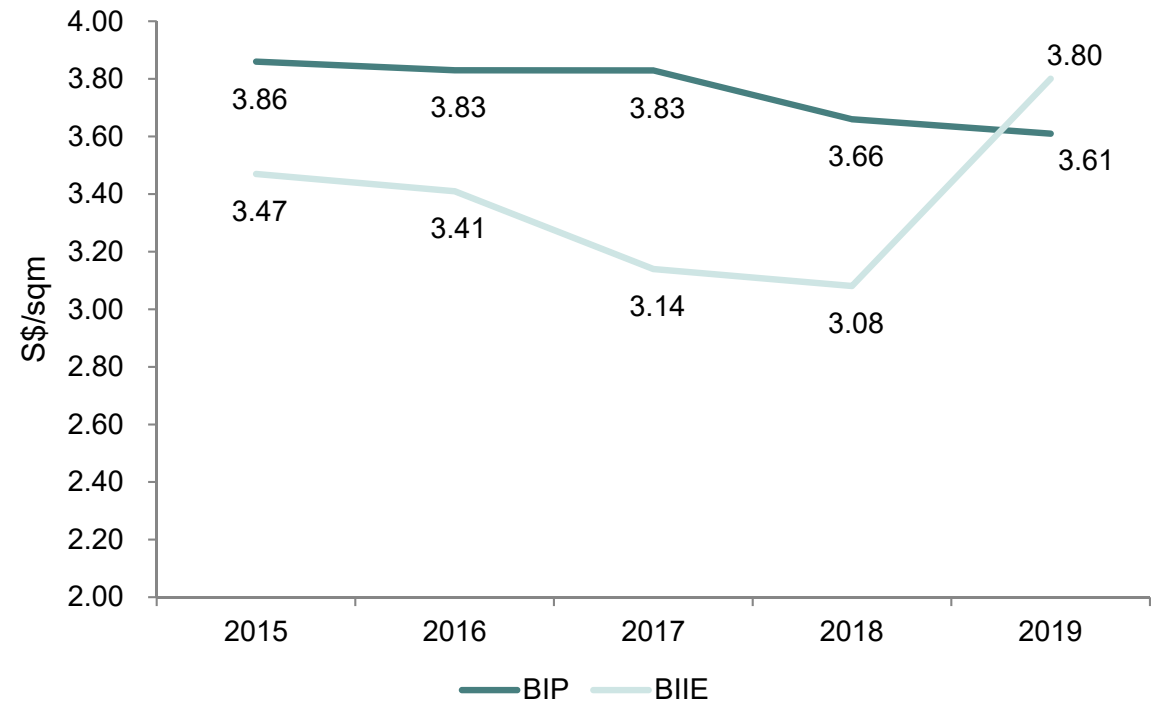
Segment Performance (cont'd)

Industrial Parks (cont'd)

FACTORY
OCCUPANCY RATE



FACTORY
AVERAGE RENTAL RATE



Segment Performance

Property Development

PROPERTY DEVELOPMENT (\$ million)	FY2018	FY2019	Variance	Comment
Revenue	-	0.05	N.M	▪ Rental income from Plaza Lagoi Mall
Gross Loss	(3.4)	(3.9)	-14.7%	▪ Higher cost of sales on the service and maintenance of the mall
Operating Loss	(13.0)	(14.7)	-13.1%	▪ Higher operating expenses
EBITDA	(9.8)	(11.7)	-19.4%	▪ Higher foreign exchange loss
NPAT	(13.9)	(15.1)	-8.6%	
Total Assets	673.6	668.1	-0.8%	

Segment Performance (cont'd)

Property Development (cont'd)

FOUR POINTS BY SHERATON BINTAN



Four Points by Sheraton Bintan, offer guests a private beachfront accompanied with tasteful and thoughtful touches such as the Signature Four Points Bed

Holiday Inn Resort Bintan, situated in the prime Lagoi Bay area, Holiday Inn Resort Bintan is set to provide mid-scale accommodation ideal for family travelers with accessible food options at the hotel's all-day dining and specialty restaurants.

Hotel Indigo Bintan, will feature a variety of locally inspired dining options at its neighbourhood café and a destination beach restaurant, in addition to thoughtful guest amenities including a gym and infinity swimming pool.

The Haven, is located at a prime site in Lagoi Bay that is both unique and rare. This previous site is surrounded by 3 pristine water bodies of sea, river and lake, and is meticulously formulated and structured to be The Vacation Home You've Always Wanted.

Chiva-Som Resort and Wellness Centre, is located at a the exclusive part of Lagoi. Upon completion, it will house a wellness hotel, wellness centre and luxury villa estates build amidst natural mangroves and overlooking at the pristine white sandy beaches.

UPCOMING....

THE HAVEN BINTAN



HOLIDAY INN RESORT BINTAN



HOTEL INDIGO BINTAN



CHIVA-SOM RESORT AND WELLNESS CENTRE



Segment Performance

Resort Operations

RESORT OPERATIONS (S\$ million)	FY2018	FY2019	Variance	Comment
Revenue	29.7	31.2	+5.1%	▪ Higher revenue from ferry services
Gross Profit	10.4	9.4	-9.6%	▪ Higher cost of sales due to unexpected repairs of ferries
Operating Profit/(Loss)	(0.7)	0.3	N.M	▪ Lower operating expenses
EBITDA	2.3	2.0	-13.0%	
NPAT	(4.3)	(5.1)	-18.6%	▪ Higher financing expenses
Total Assets	41.7	40.5	-2.9%	

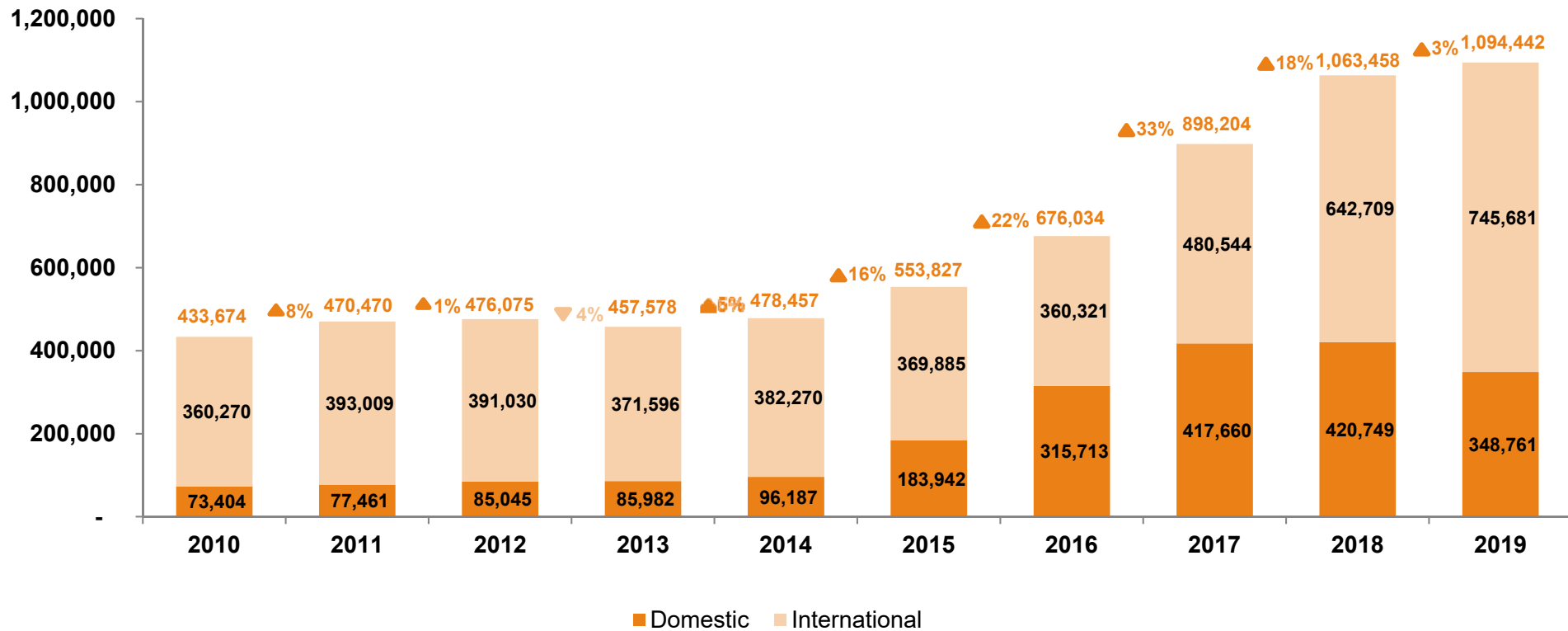
Segment Performance (cont'd)

Resort Operations (cont'd)

BINTAN RESORTS

DOMESTIC vs INTERNATIONAL TOURISTS

Tourist Arrival:
1,094,442 pax
+3% from 2018
 •Tourists from China, India and Singapore grew by 34%, 20% and 3% comparing with 2018



Segment Performance (cont'd)

Resort Operations (cont'd)

MICE and major events hosted in Bintan



BINTAN RESORTS

Royal Caribbean's Voyager of the Sea making its maiden call at Bintan in May 2019



Partnering Obayashi Corporation to pilot "technological advanced" greenhouse focusing on eco-tourism on Bintan



Bintan International Airport and Aerospace Park

Phase 1

- Development of one runway and one terminal, which will be integrated to a regional ferry terminal servicing surrounding islands, including Singapore and Batam.
- Develop MRO Centre as part of the 177-ha Bintan Aerospace Park to be located near to our existing Bintan Inti Industrial Estate.
- Develop dedicated township to cater to the working community in the Bintan Aerospace Park.



Phase 2

- Develop multi-terminal airport with two runways
- Develop other aviation related supporting businesses.



Update on COVID-19

- Our ferry services and tourism related services are severely affected by the outbreak of COVID-19 pandemic.
- Our ferry services between Singapore and Bintan are reduced from 5 to 10 trips a day to 1 trip per week due to cross border travel restrictions.
- Power consumptions in the resort segment suffered significant reduction due to temporary closure of hotels in Bintan during the lockdown period.
- Industrial rental, its related services and utilities consumptions performed well due to increase in industrial occupancy.
- We have implemented measures across business segments so to cope with slowdown during this period and ensure that we able to resume full operation once regional lockdown is lifted.

Looking forward

- Better working capital management to improve and conserve cash flow;
- Actively manage its cash and debt portfolio;
- Reduce costs and improve productivity and operational efficiency;
- Continue to innovate the industrial parks and drive tourism and investment into Bintan;
- Capital investments to improve utilities' margin that protect the environment;
- Accelerate construction of new factory units so to fulfil increased demand for industrial spaces;
- Expand sustainable and high margin automotive related businesses; and
- Focus on long-term earnings growth and a strong balance sheet.

Potential dilution of PT Indomobil Sukses Internasional Tbk (“IMAS”) from 71.49% to 49.49%

Introduction

- 30 April 2020, IMAS announced a proposed issuance of new shares with preemptive rights to IMAS’ shareholders (“**IMAS Rights Issue**”) with the maximum number of 1,229,012,627 shares of nominal value Rp250 each.
- IMAS intends to use the Rights Issue proceeds for its working capital and business expansion.
- Based on the Company’s current shareholding of 71.49% on IMAS and the maximum number of shares to be issued, the Company’s entitlement for the subscription is 878,562,566 right shares.

Company’s decision on IMAS Rights Issue

- After careful consideration, the Company does not intend to subscribe for its entitlement under the IMAS Rights Issue.

Potential dilution of PT Indomobil Sukses Internasional Tbk (“IMAS”) from 71.49% to 49.49% (cont’d)

Rational for not subscribing the entitlement

- The Company prefers conserve its cash resources in view of deteriorating economic conditions.
- The Company has on-going commitments for further development of industrial and resorts segments, which limit the Company’s ability to meet IMAS ongoing cash requirements.

Potential dilution of PT Indomobil Sukses Internasional Tbk (“IMAS”) from 71.49% to 49.49% (cont’d)

Effect on non-subscription of IMAS Rights Issue

- The Company’s shareholding in IMAS will be diluted from 71.49% to 49.49% assuming that the IMAS Rights Issue is completed with issuance of maximum 1,229,012,627 shares.
- IMAS ceases to be a subsidiary of the Company but remains as an associated company.
- Assuming that the IMAS Rights Issue was completed on 31 December 2019, the Group would recognise a loss of approximately S\$603.8 million on deemed disposal of IMAS.
- The loss is resulted from the write-off of goodwill, intangible asset and realisation of translation loss and cash flow hedge previously accounted in the Other Comprehensive Income upon deconsolidation of IMAS’s results.

Potential dilution of PT Indomobil Sukses Internasional Tbk (“IMAS”) from 71.49% to 49.49% (cont'd)

Update on Consultation with the SGX-ST

- SGX-ST has granted the Company the waiver to obtain prior shareholder’s approval for not subscribing its entitlement under the IMAS Rights Issue subject to the following:
 - a) the company announcing the waiver granted, the reasons for seeking the Waiver, the conditions and if the waiver conditions have been satisfied which the Company has already announced on 10 June 2020;
 - b) submission of a written confirmation from the Company that the waiver does not contravene any laws and regulations governing the Company and the articles of association of the Company;
 - c) the Company seeks ratification from the shareholders of the Company for the potential dilution in interest in IMAS not later than 7 September 2020; and

Potential dilution of PT Indomobil Sukses Internasional Tbk (“IMAS”) from 71.49% to 49.49% (cont’d)

Update on Consultation with the SGX-ST (cont’d)

- SGX-ST has granted the Company the waiver to obtain prior shareholder’s approval for not subscribing its entitlement under the IMAS Rights Issue subject to the following: (cont’d)
 - d) Irrevocable undertakings from the controlling shareholders of the Company holding more than 50% of the issued capital in the Company to: (a) vote in favour of the reduction in the Company’s shareholding in IMAS and (b) continue to own more than 50% of the issued capital of the Company before and up to the date of the Company’s general meeting.



Managing Investments Creating Value

Thank You