



**NEW FOCUS**  
**OUR PATH FORWARD**

2023 ANNUAL REPORT

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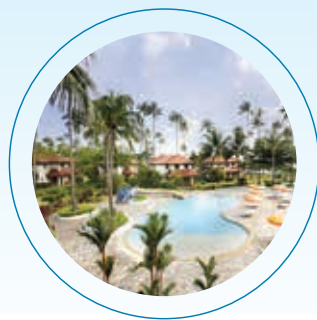
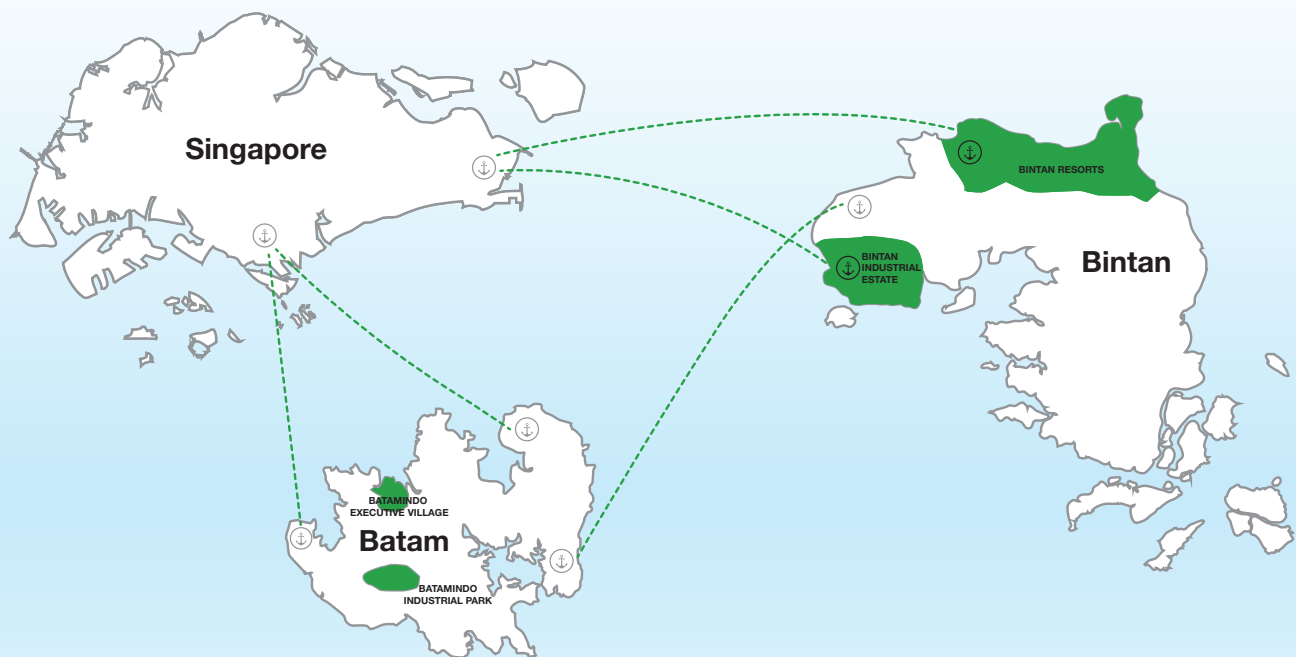
## GROUP PROFILE

Gallant Venture Ltd. (“**GV**”), headquartered and listed in Singapore, is an Indonesia focused investment holding company with operations primarily in the islands of Batam and Bintan, Indonesia.

Our business is well-positioned to leverage on the strategic alliance between Singapore and Indonesia governments and close proximity to Singapore.

The principle business of GV and its subsidiaries (“the **Group**”) are utilities provider, master planner and developer of industrial parks, property development and resort operations.

Through the Group’s associated companies’ PT Indomobil Sukses International Tbk (“**PT IMAS**”) and BOMC Pte Ltd (“**BOMC**”), the Group has foothold in the automotive and offshore marine industry.





## GROUP BUSINESSES

### INDUSTRIAL PARKS

We own and manage Batamindo Industrial Park (“**BIP**”) and Bintan Industrial Estate (“**BIE**”) in Batam and Bintan that offer the convenience of one-stop manufactory environment with ready access to Singapore’s financial, infrastructure and logistics network. BIP, a 320 ha premium industrial park in Batam with net factory lettable area of approximately 600,000 sqm, consists of 220 ready-built-factories with factory size between 972 sqm and 9,217 sqm and other services include logistics, medical amenities and workers’ accommodation.

BIP is the first industrial park in Asia-Pacific certified ISO 9001 and ISO 14001. BIE, a 170 ha industrial park in Bintan with net factory lettable area of approximately 107,000 sqm, consists of 88 ready-built-factories with factory size between 504 sqm and 2,100 sqm and has its own dedicated wharf, CIQP facilities and amenities for medical and housing.





## UTILITIES

We are independent utilities provider to our industrial park and resorts in Batam and Bintan. We provide power, water, waste management services and telecommunication services to our customers in the industrial parks and resorts. We have invested approximately S\$435 million in the construction and development of utilities infrastructure and resources that include power generation and distribution facilities, portable water treatment facilities, sewage treatment plants, waste water treatment facilities and landfills.

For power generation, we have aggregate installed capacity of 169 MW, of which 135 MW in BIP, 10 MW in BIE and 24 MW in Resorts. In order to cope with any potential increase in power consumption, we cater approximately 30% of our installed capacity as standby reserve. For water and waste treatment, we have aggregate capacity of 14,500 m<sup>3</sup>/day and 10,000 m<sup>3</sup>/day. For telecommunication services, we have approximately 6,000 lines servicing Batam and Bintan and also provide internet and triple play (Telephone, Internet and IPTV) services.



## GROUP BUSINESSES

### PROPERTY DEVELOPMENT

We are the master planner and developer for industrial, commercial, residential and resorts development in Bintan and Batam, Indonesia. We own approximately 18,000 ha of land in Bintan. Our integrated resort development, Lagoi Bay, consists of 1,300 ha earmarked for development of resorts, residences, shopping, restaurants, entertainments and sea-sport facilities.

Some of the investors in Lagoi Bay include world's leading resorts and hotels marques such as The Sanchaya, Four Point by Sheraton, Hotel Indigo and Holiday Inn by InterContinental Hotels Group, Alila Villas Bintan, Dialog Hotel by Malka and The Haven Bintan Lagoi Bay by the Haven Group.





## RESORT OPERATIONS

We are the master planner and developer in Bintan Resorts. We undertake the overall planning, development, operations and marketing of Bintan Resorts. We provide support facilities and services including ferry services and ferry terminal operations, security, tour and resort operations, property rental, workers' accommodation, medical support and estate and township maintenance.



Bintan Triathlon by TriFactor 2023



## GROUP BUSINESSES

### OTHER BUSINESS

PT IMAS, an associated company of the Group, is an Indonesia based integrated automotive group. Its main business among others dealership franchise holder, vehicle sales distributor, after sales services, vehicle financing, spare parts distributor, vehicle assembler, automotive parts/component manufacturer, car rental services, used cars trading, logistics services, fuel distribution, non-formal education services, and other related supporting services.

PT IMAS holds well-known brands of international reputation, namely Audi, Volkswagen, Nissan, Suzuki, KIA, Jaguar, Land Rover and Citroën for its passenger cars, Yadea and Harley-Davidson for its two-wheel vehicles, Hino, Volvo and Renault Trucks for its commercial vehicles and Volvo Penta, John Deere, Kalmar, Bnadit, HIAB, SDLG and Manitou for its heavy-duty equipment and machinery. PT IMAS has also entered strategic partnerships with Inchcape Motors Private Limited and Great Wall Motor Co., Ltd. for distribution of Mercedes-Benz and GWM brands in Indonesia.



BOMC, an associated company of the Group, own and operate a state-of-the-art common-user facility in Bintan Industrial Estate for manufacturing, fabrication, repairs, modifications, and logistics for the offshore marine, oil and gas industries. It offers all offshore projects the distinct advantage to lower costs, provides increased efficiencies and productivity, adhere to strict corporate compliance and governance requirements with all operations conducted under world class safety and quality systems.





## BOARD OF DIRECTORS

### MR LIM HOCK SAN

Non-Executive Chairman and Independent Director

Date of last election: 29 April 2022

Board Committee:

Chairman, Audit and Risk Management Committee

Chairman, Nominating Committee

Member, Remuneration Committee

Mr Lim was appointed as a Non-Executive Chairman and Independent Director on 1 February 2006.

Mr Lim has a Bachelor of Accountancy from the University of Singapore and a Master of Science (Management) from Massachusetts Institute of Technology. Mr Lim also attended the Advanced Management Programme at Harvard Business School. He is a Fellow of The Chartered Institute of Management Accountants (UK) and a Fellow and past President of the Institute of Singapore Chartered Accountants. He is also a recipient of the Singapore Government Meritorious Service Medal, the Public Administration Medal (Gold) and the Public Service Medal.

Current directorship in other companies listed on Singapore stock exchange

– Indofood Agri Resources Ltd

### MR EUGENE CHO PARK

Executive Director and Chief Executive Officer

Date of last election: 28 April 2023

Board Committee:

Nil

Mr Park was appointed as an Executive Director and Chief Executive Director on 1 February 2006.

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 States of America and a Master of Business Administration from INSEAD in France.

### MR GIANTO GUNARA

Executive Director and Chief Operating Officer

Date of last election: 28 April 2023

Board Committee:

Nil

Mr Gunara was appointed as an Executive Director on 8 November 2006.

Mr Gunara is the Executive Director/Group Chief Operating Officer overseeing the Group Operations. He started his career with Haagtechno BV-Den Bosch in Holland as a Management Trainee in 1984 and is currently sits on the Board of Director/Commissioner of several subsidiaries of the Group and in other private enterprises.

He holds a Bachelor in Business Administration degree from Simon Fraser University, Vancouver, Canada.

### MR CHOO KOK KIONG

Executive Director and Chief Executive Officer

Date of last election: 29 April 2022

Board Committee:

Nil

Mr Choo was appointed as an Executive Director on 30 April 2014.

Mr Choo is the Executive Director/Group Chief Financial Officer overseeing the Group and its corporate services. He has also been appointed as a Group Risk Officer. Before joining the company, he held various management positions in the Sembcorp group. He has over 30 years of finance experience, having held the positions of Vice-President of Finance at Sembcorp Parks Management and Sembcorp Parks Holdings Ltd (now known as Sembcorp Development Ltd), Assistant Vice-President of Finance at Sembcorp Industries Ltd and Accounts Manager with Singapore Precision Industries Pte Ltd. Mr Choo also sits on the Singapore Kitchen Equipment Limited board as a non-executive independent director.

He holds a Master in Business Administration from the University of Wales (UK)/Manchester Business School (UK). He also had qualifications from the Chartered Institute of Management Accountants (CIMA, UK) and the Association of Chartered Certified Accountants (ACCA, UK).

Current directorship in other company listed on Singapore stock exchange

– Singapore Kitchen Equipment Limited

## BOARD OF DIRECTORS

### DR TAN CHIN NAM

Non-Executive Director

Date of last election: 28 April 2023

Board Committee:

Nil

Dr Tan was appointed as a Non-Executive Director on 25 May 2009.

Dr Tan is currently Chairman of Global Fusion Capital Pte Ltd. He is Senior Adviser to the Salim Group. He is also Adviser of Eight Inc, Senior Adviser of Nexxus Capital Management Pte Ltd, as well as Member of the Centre for Liveable Cities Distinguished Advisers Panel, the Bankinter Foundation for Innovation Board of Trustees (Spain), Singapore Symphony Orchestra Council, and a Director of Global Business Advisers Pte Ltd.

Dr Tan had 33 years of distinguished service in the Singapore Public Service holding various key appointments before completing his term as a Permanent Secretary in 2007. He held various top public leadership positions including as General Manager and Chairman, National Computer Board; Managing Director, Economic Development Board; Chief Executive, Singapore Tourism Board; Permanent Secretary, Ministry of Manpower; Permanent Secretary, Ministry of Information, Communications and the Arts; Chairman, National Library Board; and Chairman, Media Development Authority. He played a leading role in the information technology, economic, tourism, manpower, library, media, arts and creative industries development of Singapore. Dr Tan subsequently held directorship and advisory roles at various public and private companies including Temasek Management Services Pte Ltd (Chairman), PSA International Pte Ltd, Stamford Land Ltd, Raffles Education Corporation Ltd and Yeo Hiap Seng Ltd.

Dr Tan holds degrees in industrial engineering and economics from the University of Newcastle, Australia and an MBA from the University of Bradford, UK. He also holds two honorary doctorate degrees awarded by both universities. He attended an Advanced Management Programme at Harvard Business School and is an Eisenhower Fellow. He was awarded four Public Administration Medals by the Government of Singapore.

### MR AXTON SALIM

Non-Executive Director

Date of last election: 29 April 2022

Board Committee:

Nil

Mr Axton was appointed as a Non-Executive Director on 30 April 2014.

Mr Axton was first appointed as a Director of PT Indofood Sukses Makmur Tbk based on the resolution of the AGM in 2009 with the latest re-elected in 2021. He heads the Dairy Division and is concurrently the Director of PT Indofood CBP Sukses Makmur Tbk, Non-Executive Director of Indofood Agri Resources Ltd and First Pacific Company Ltd, as well as Commissioner of PT Salim Ivomas Pratama Tbk and PT London Sumatra Indonesia Tbk. He started his career in PT Indofood Fritolay Makmur as a Brand Manager before appointed as an Assistant CEO of PT Indofood Sukses Makmur Tbk.

Mr Axton is also part of the United Nations Scaling Up Nutrition (SUN) Movement Business Network Advisory Group, where he serves as a Co-Chair, and SUN Business Network Indonesia as a Coordinator, as well as Nanyang Business School as Advisory Board Member.

He holds a Bachelor of Science in Business Administration from University of Colorado, USA.

Current directorship in other company listed on Singapore stock exchange

- Indofood Agri Resources Ltd
- First Pacific Company Ltd



**MR FOO KO HING**

Non-Executive and Independent Director

Date of last election: 30 April 2021

Board Committee:

Chairman, Remuneration Committee

Member, Audit and Risk Management Committee

Member, Nominating Committee

Mr Foo was appointed as an Independent Director on 8 December 2004.

After leaving PriceWaterhouseCoopers in 1986, Mr Foo joined The Hongkong and Shanghai Banking Corporation Limited (“HSBC”) group in the Trust and Fiduciary Business in Singapore. He was later seconded to HSBC Bank Jersey C.I in 1989 and was subsequently promoted to Executive Director, covering fiduciary activities, private banking, compliance and investment functions. He returned to Singapore in 1991 and resumed responsibilities with the HSBC Investment Bank Group for Private Banking and Trust Services as an Executive Director and Head of Business Development. Mr Foo is also a co-founder and Director of Cerealtech Pte Ltd, a food technology company specialising in enzyme application and micro ingredient development for the industrial baking sector. He has over 15 years of experience in investment origination, structuring, monitoring and strategic growth assistance, with emphasis on the private equity investment and capital markets. He has previously served on the boards of various companies in various sectors listed on the SGX-ST.

He holds a BA Honours Degree in Economics and Accounting from University of Newcastle Upon Tyne, United Kingdom.

**MR LIM CHEE SAN**

Non-Executive and Independent Director

Date of last election: 29 April 2022

Board Committee:

Member, Audit and Risk Management Committee

Member, Nominating Committee

Member, Remuneration Committee

Mr Lim has been an accountant, a banker and a lawyer at different times during the last 40 years. He has his own law firm, TanLim Partnership, now. Before he started his current law practice, he was the Head of Banking Operations in a large regional bank. He also has many years of experience as an auditor in large international accounting firms. He is a barrister-at-law, a chartered certified accountant, and a chartered information technology practitioner. He was among the top candidates in his accountancy and law examinations.

Current directorship in other companies listed on Singapore stock exchange

- Chemical Industries (Far East) Limited
- Blackgold Natural Resources Limited
- Singapore Kitchen Equipment Ltd
- GS Holdings Limited

## ADDITIONAL INFORMATION ON APPOINTMENT OF NEW DIRECTORS AND DIRECTOR SEEKING RE-ELECTION

(Appendix 7.4.1, SGX-ST Listing Manual read with Rule 720(6))

Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
Date of appointment	30 April 2014	29 April 2024	29 April 2024
Date of last re-appointment	29 April 2022	Not applicable	Not applicable
Age	55	62	66
Country of principal residence	Singapore	Singapore	Indonesia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The re-election of Mr Choo as a Director of the Company at the AGM 2024 was recommended by the Nominating Committee and approved by the Board, after taking into consideration Mr Choo's contributions, qualifications, expertise and past experiences.	The Nominating Committee and the Board having considered the qualifications and experiences of Mr Tan, is of the view that Mr Tan has the requisite experience and capabilities to assume the duties and responsibilities as the Independent Director.	The Nominating Committee and the Board having considered the qualifications and experiences of Mr Putu, is of the view that Mr Putu has the requisite experience and capabilities to assume the duties and responsibilities as the Independent Director.
Whether appointment is executive, if so, the area of responsibility	Yes, he is responsible to overseeing the Group and its corporate services.	Non-Executive	Non-Executive
Job title (e.g. Lead ID, ARMC, Chairman, ARMC Member, etc.)	Chief Financial Officer/Chief Risk Officer	Non-Executive Independent Director Audit and Risk Management Committee (Member) Nominating Committee (Chairman) Remuneration Committee (Chairman)	Non-Executive Independent Director Audit and Risk Management Committee (Member) Nominating Committee (Member) Remuneration Committee (Member)
Professional qualifications	Master in Business Administration from the University of Wales (UK)/ Manchester Business School (UK). He had also qualifications from Chartered Institute of Management Accountants (CIMA, UK) and Association of Chartered Certified Accountants (ACCA, UK).	Bachelor of Commerce at University of New South Wales, Australia  Member of the Australian Society of Certified Practising Accountants	Bachelor of Industrial Engineering, Bandung Institute of Technology



Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
Working experience and occupation(s) during the past 10 years	<p>Mr Choo has over 30 years of finance experience, having held the positions of Vice-President of Finance at Sembcorp Parks Management and Sembcorp Parks Holdings Ltd.</p> <p>He is a Non-Executive Independent Director of Singapore Kitchen Equipment Limited.</p>	<p><u>2021 – Present</u> Managing Director of FQX Pte. Ltd.</p> <p><u>2015 – 2020</u> Managing Director of First Abu Dhabi Bank</p> <p><u>2010 – 2015</u> Executive Director and Team Head of Standard Chartered Bank</p>	<p><u>2019 – Present</u> Special Assistant to Coordinating Minister of Economic Affairs for Industry and Regional Development of Indonesia's Coordinating Ministry of Economic Affairs</p> <p><u>2018 – 2019</u> Special Assistant to Minister of Industry for Investment and External Relations for Indonesia's Ministry of Industry</p> <p><u>2017 – 2018</u> Director General of Industrial Resilience and International Access Development for Indonesia's Ministry of Industry</p> <p><u>2015 – 2017</u> Director General of Metal, Machinery, Transportation and Electronic Industry for Indonesia's Ministry of Industry</p> <p><u>2010 – 2015</u> Director of Industry Facility Development and Director of Basic Metal Material Industry for Indonesia's Ministry of Industry</p>
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive office, the issuer and/or substantial shareholder of the listed issuer or of any of its principle subsidiaries	None	None	None
Conflict of interests (including any competing business)	None	None	None
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (listing Rule 704(7))	Yes	Yes	Yes

## ADDITIONAL INFORMATION ON APPOINTMENT OF NEW DIRECTORS AND DIRECTOR SEEKING RE-ELECTION

(Appendix 7.4.1, SGX-ST Listing Manual read with Rule 720(6))

Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
Other Principal Commitments including Directorship	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>- S&amp;P 1821 Pte Ltd</li> <li>- QAF Limited</li> <li>- Batamindo Investment (S) Ltd</li> </ul> <p><b>Present:</b></p> <ul style="list-style-type: none"> <li>- Singapore Kitchen Equipment Limited</li> <li>- Subsidiaries of Gallant Venture Group</li> <li>- Batamindo Carriers Pte Ltd</li> <li>- Batamindo Shipping and Warehousing Pte Ltd</li> <li>- Nirwana Pte Ltd</li> <li>- Sembcorp Parks Management Pte Ltd</li> <li>- Straits-CM Village Hotel Pte Ltd</li> <li>- Straits-KMP Resort</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>- Nil</li> </ul> <p><b>Present:</b></p> <ul style="list-style-type: none"> <li>- GS Holdings Limited</li> <li>- FQX Pte. Ltd.</li> </ul>	<p><b>Past (for the last 5 years)</b></p> <ul style="list-style-type: none"> <li>- PT Krakatau Steel (Persero) Tbk (President Commissioner)</li> </ul> <p><b>Present:</b></p> <ul style="list-style-type: none"> <li>- PT Krakatau Steel (Persero) Tbk (Commissioner)</li> <li>- PT Bekasi Fajar Industrial Estate Tbk (Commissioner)</li> <li>- PT Indospring Tbk (Commissioner)</li> <li>- PT Erajaya Swasembada Tbk (Commissioner)</li> </ul>
<b>The general statutory disclosures of the Directors are as follows:</b>			
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No



Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
<b>The general statutory disclosures of the Directors are as follows:</b>			
(c) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(d) Whether there is any unsatisfied judgement against him?	No	No	No
(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f) Whether at any time during the last 10 years, judgement has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

## ADDITIONAL INFORMATION ON APPOINTMENT OF NEW DIRECTORS AND DIRECTOR SEEKING RE-ELECTION

(Appendix 7.4.1, SGX-ST Listing Manual read with Rule 720(6))

Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
<b>The general statutory disclosures of the Directors are as follows:</b>			
(g) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(h) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(i) Whether he has ever been the subject of any order, judgement or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
i. any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
ii. any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No



Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
<b>The general statutory disclosures of the Directors are as follows:</b>			
iii. any business trust which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No	No	No
iv. any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No
Any prior experience as a director of an issuer listed on the Exchange?	Not applicable This is a re-election of a director.	Yes	No
If yes, please provide details of prior experience	Not applicable	Current Independent Director of GS Holdings Limited	Not applicable
If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange	Not applicable	Not applicable	The Company will arrange for Mr Putu to attend training on the roles and responsibilities of a director as prescribed by the Exchange

## ADDITIONAL INFORMATION ON APPOINTMENT OF NEW DIRECTORS AND DIRECTOR SEEKING RE-ELECTION

(Appendix 7.4.1, SGX-ST Listing Manual read with Rule 720(6))

Name of Director	Choo Kok Kiong	Tan Boon Hwa	I Gusti Putu Suryawirawan
<b>The general statutory disclosures of the Directors are as follows:</b>			
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	Not applicable	Not applicable	Not applicable

## GROUP STRUCTURE

### SUBSIDIARIES

<b>PT Batamindo Investment Cakrawala</b> Indonesia 100%	<b>Verizon Resorts Limited</b> Malaysia 100%	<b>PT Gallant Lagoi Cemerlang</b> Indonesia 100%	<b>PT Batamindo Green Perkasa</b> Indonesia 100%
<b>PT Bintang Inti Industrial Estate</b> Indonesia 100%	<b>PT Buana Megawisata</b> Indonesia 100%	<b>PT Gallant Lagoi Damai</b> Indonesia 100%	<b>PT Batamindo Solar Perkasa</b> Indonesia 100%
<b>Bintang Resorts International Pte Ltd</b> Singapore 100%	<b>PT Surya Bangun Pertiwi</b> Indonesia 100%	<b>PT Gallant Lagoi Elok</b> Indonesia 100%	<b>PT Batamindo Sukses Makmur</b> Indonesia 100%
<b>Batamindo Investment (S) Ltd</b> Singapore 100%	<b>PT Suakajaya Indowahana</b> Indonesia 100%	<b>PT Gallant Lagoi Fenomena</b> Indonesia 100%	<b>Bintang Resort Ferries Pte Ltd</b> Singapore 96.87%
<b>Bintang Power Pte Ltd</b> Singapore 100%	<b>PT Taman Indah</b> Indonesia 100%	<b>PT Gallant Lagoi Gemilang</b> Indonesia 100%	<b>PT Bintang Resort Cakrawala</b> Indonesia 95.53%
<b>BU Holdings Pte Ltd</b> Singapore 100%	<b>Lagoi Dreams Limited</b> British Virgin Islands 100%	<b>PT Gallant Lagoi Harmoni</b> Indonesia 100%	<b>PT Batam Bintang Telekomunikasi</b> Indonesia 95%
<b>GV Airport Holdings Pte Ltd</b> Singapore 100%	<b>Win Field Limited</b> British Virgin Islands 100%	<b>PT Gallant Lagoi Inti</b> Indonesia 100%	<b>PT Batamindo Executive Village</b> Indonesia 77.5%
<b>GO Marine Offshore Investment Pte Ltd</b> Singapore 100%	<b>Treasure Home Limited</b> British Virgin Islands 100%	<b>PT Gallant Lagoi Jaya</b> Indonesia 100%	<b>Singapore-Bintang Resort Holdings Pte Ltd</b> Singapore 66.25%
<b>GO Greenhouse Investments Pte Ltd</b> Singapore 100%	<b>Golf View Limited</b> Seychelles 100%	<b>PT Batamindo Digital Perkasa</b> Indonesia 100%	
<b>GO Cloud Data Center Pte Ltd</b> Singapore 100%	<b>PT Gallant Lagoi Berjaya</b> Indonesia 100%		

### ASSOCIATES

<b>PT Indomobil Sukses Internasional Tbk</b> Indonesia 49.49%	<b>PT Bintang Aviation Investments</b> Indonesia 33%	<b>PT Persada Hijau Permai</b> Indonesia 30%	<b>BOMC Pte Ltd</b> Singapore 26%
<b>Batamindo Carriers Pte Ltd</b> Singapore 36%	<b>PT Soxal Batamindo Industrial Gases</b> Indonesia 30%	<b>PT Persada Hijau Cemerlang</b> Indonesia 30%	<b>Pacific Medco Solar Energy Pte Ltd</b> Singapore 26%
<b>PT Gallant Lagoi Abadi</b> Indonesia 45%			



# CORPORATE DIRECTORY

## COMPANY REGISTRATION NUMBER

200303179Z

## REGISTERED OFFICE

3 HarbourFront Place  
#16-01 HarbourFront Tower Two  
Singapore 099254

## DIRECTORS

Lim Hock San  
(Non-Executive Chairman and Independent Director)

Eugene Cho Park  
(Executive Director and Chief Executive Officer)

Gianto Gunara  
(Executive Director and Chief Operating Officer)

Choo Kok Kiong  
(Executive Director and Chief Financial Officer)

Dr Tan Chin Nam  
(Non-Executive Director)

Axton Salim  
(Non-Executive Director)

Foo Ko Hing  
(Non-Executive and Independent Director)

Lim Chee San  
(Non-Executive and Independent Director)

## AUDIT AND RISK MANAGEMENT COMMITTEE

Lim Hock San (Chairman)  
Foo Ko Hing  
Lim Chee San

## NOMINATING COMMITTEE

Lim Hock San (Chairman)  
Foo Ko Hing  
Lim Chee San

## REMUNERATION COMMITTEE

Foo Ko Hing (Chairman)  
Lim Hock San  
Lim Chee San

## COMPANY SECRETARY

Choo Kok Kiong

## SHARE REGISTRAR

KCK CorpServe Pte. Ltd.  
1 Raffles Place #04-63  
One Raffles Place, Tower 2  
Singapore 048616

## PRINCIPAL BANKERS

United Overseas Bank Limited  
PT Bank Mandiri (Persero) Tbk, Singapore Branch  
DBS Bank Ltd

## INDEPENDENT AUDITOR

Foo Kon Tan LLP  
Public Accountants and Chartered Accountants  
1 Raffles Place #04-61/62  
One Raffles Place, Tower 2  
Singapore 048616

Partner-in-charge: Ling Guo Leng  
(Since financial year ended 31 December 2023)

# LETTER TO SHAREHOLDERS



**Mr Eugene Cho Park**  
Executive Director and Chief Executive Officer

**Mr Lim Hock San**  
Non-Executive Chairman and Independent Director

Dear Fellow Shareholders,

In 2023 the Indonesian economy was one of the strongest in ASEAN region, and our portfolio of Indonesian based businesses has benefited. Indonesia continues its long-term economic transformation into major economy. It is the largest in SEA and 16th largest in the world with a GDP of US\$1.4 trillion. GDP growth was around 5% in 2023, and unemployment fell to 5.3% from 5.8%. Indonesia's fiscal deficit was reduced from 2.4% to 2.1% of GDP partially as a result of 2.7% increase in tax revenues and 4% lower amount spent on subsidies (such as 2022's reduced fuel and electricity subsidies). Lower energy price volatility allowed businesses to better forecast, and FDI increased almost 14% to US\$47 billion. The previous years supply shock inflation effects moderated, and the GDP growth returned Indonesia to an upper middle-income economy.

The government is targeting stable 5% GDP growth for 2024 - 2026. As a young country (median age 29.2 years) the workforce increases by around 1 million people per year. Properly fed, educated, and employed, this young and growing workforce can help to continue to transform the country from an upper middle-income economy to a high-income economy. Some of the building blocks have been put in place. For example, the social security system, BPJS, supported by employer and worker contributions, is slowly gaining momentum, as its savings reached US\$45 billion last year (increasing annually by US\$5-6 billion). This system is slowly rolling out a universal healthcare benefit which should significantly increase the average life expectancy.

We also hope that the generally good condition of the economy should lead to a smooth February 2024 election and generally stable business conditions as happy voters generally prefer continuity rather than change. A smooth continuation of an inclusive, compromising style of government is good for business, and good for the economy. Potential headwinds include the weak European economy, slower than expected China economic recovery, and sustained higher global interest rate environment keeping FDI away from emerging markets.

## LETTER TO SHAREHOLDERS

As mentioned last year, our industrial parks benefit from the continuing global supply chain diversification away from China, and in 2023 we added around 22,200 m<sup>2</sup> of newly built factories to our customers, with another 116,400 m<sup>2</sup> under construction and due to be handed over in FY2024. Our future pipeline is robust, and we expect that our parks will continue to be in high demand due to our natural competitive advantages of land, labor, and our Singapore standard infrastructure, combined with our linkage to Singapore's logistic, financial and other competitive advantages.

Our utilities business has shown a nice recovery on the back of an increase in visitors to hotels in Bintan Resorts and less volatile energy prices. We expect to see additional contributions from the increasing occupancy figures in our industrial parks and continuing increases in visitors to existing and new hotel openings in the resorts. We are also adding significant PV energy production to both Bintan and Batam, and the results should start to flow through in FY2025.

Our property development business did not have any results in 2023. However, we are looking forward to a good pipeline in 2024. This pipeline includes new hotels, a convention center, an equestrian center, and a new 800 hectare data center project in addition to our numerous existing projects.

Our resorts business had a good recovery in 2023, though still short of pre-pandemic numbers. In anticipation of the continued recovery, and on the back of new hotel additions, we are in the process of adding new vessels to our ferry fleet. We also expect to see other new attractions in Bintan including a major equestrian center and polo club, renovated professional tour level golf courses, and marathon and triathlon events.

Overall, in 2023 our EBITDA from these operational segments increased from S\$38.4 million to S\$60.8 million. With regards to our associate companies Indomobil, BOMC, and PMSE, we also had some success. Indomobil booked record revenues, on the back of strong heavy duty equipment sales and servicing. Looking forward to 2024, those sales for at least the first half of 2024 are already pre-sold, and we expect better contributions from our logistics business (now the largest in Indonesia with around 5,000 trucks) and our fuel

distribution business (additional revenues from fleet buyers). In addition, our portfolio of passenger car brands is increasing as we diversify to a multi-brand portfolio. Our BOMC business is also looking forward to significantly increased business from new projects, and we continue to pursue our PMSE solar energy project JV. When completed, together with our other solar PV production sites in Bintan and Batam, this will transform our utilities business to a majority green energy electricity production business.

With regards to the TCFD, we are happy to report we are also taking steps such as replacing old ICE vehicles with EVs, adding additional stand-alone as well as the previously mentioned centralized solar PV production sites, replacing fluorescent lamps with LEDs, continuing our tree and mangrove planting program, as well as major corporate education among all management staff, etc.

We believe the Indonesian economy, will grow strongly in 2024 and 2025. We believe that all our businesses are well positioned to capture the rewards of this growth and we look forward to sharing the benefits from our investments in the near future. Thank you for your continuing support and we look forward to welcoming you soon in Bintan and Batam.

Sincerely,

Mr Lim Hock San  
Non-Executive Chairman and Independent Director

Mr Eugene Cho Park  
Executive Director and Chief Executive Officer



## BUSINESS REVIEW



### MACROECONOMIC ENVIRONMENT

While the COVID-19 pandemic may be in the past, its economic repercussions continue to reverberate through the present. The current economic environment is marked by higher borrowing rates, inflation, and geopolitical risks, all of which are interconnected and have the potential to impact global economies and investors' sentiment significantly. The pandemic-induced economic downturn led to unprecedented fiscal and monetary stimulus measures, contributing to rising inflation rates. Developed Countries' central banks have responded by maintaining high interest rates to combat inflation, leading to higher borrowing costs for businesses and consumers. The ongoing geopolitical tensions, such as trade disputes and regional conflicts that are raging high in the Middle East and Eastern Europe, can potentially disrupt global supply chains and impact economic growth.

In addition, a spate of elections in 2024, particularly the elections in Taiwan (January), Indonesia (February), India (April-May), and the US (November), has further complicated the economic scene, adding uncertainties faced by policymakers, businesses, and investors alike. Despite global economic headwinds, there are early signs that major economies have contained inflation, potentially leading to a gradual reduction in interest rates.

Indonesia's economic growth remains resilient, with inflation on a declining trend. The economy grew 5.05% in 2023 and is projected to grow 5.2% in 2024, supported by private consumption and a pick-up in business investment and public spending due to reforms and new government projects. While weaker global growth and lower commodity prices will hamper exports of goods, services exports are expected to benefit from a continued recovery in tourism.

We believe Indonesia's economy will continue to build on strong economic fundamentals to deliver faster, greener, and more inclusive economic growth by continuing to implement reforms that remove bottlenecks that limit efficiency, competitiveness, and productivity growth and addressing the challenges associated with climate changes with fiscal, financial, and trade policies. Indonesia's growing prominence on the global stage and its resilient economy, more significant today than ever, will create a conducive environment for the Group's operations in Indonesia. As the country continues to attract investment and expand its influence, the Group benefits from the increased economic activity and opportunities for growth in its core segments.

### FINANCIAL HIGHLIGHTS

In FY2023, the Group's revenue grew by 9.5% to S\$182.7 million in FY2023, driven by increased contributions from its industrial parks, utilities, and resort segments. The Group's loss attributable to owners of the Company has grown from S\$13.6 million to S\$14.8 million due to higher financing costs and lower profit contributions from its associated companies.

At the Group level, the net asset value per share for FY2023 was 13.56 cents compared to 13.76 cents in FY2022. The Group's basic and diluted loss per share was 0.27 cents in FY2023 compared to FY2022's 0.25 cents.

The Group expects its core business segments and associated companies to continue contributing positively and is on track to achieve profitability soon.

# BUSINESS REVIEW

## KEY BUSINESS SEGMENTS

### INDUSTRIAL PARKS

Our industrial parks segment has shown strong revenue growth, positive returns, and improved operational margins. Revenue increased 12.9% year-over-year, with rental yield and factory occupancy growing in tandem. The Group will continue to expand its total factory lettable area in response to increased demand for industrial space in Indonesia. The Group expects higher revenue in FY2024 as the total revenue impact from the Year 2023 delivery of new factory units to the tenants. The Group is confident that this segment will continue to be the key driver for the Group's success, given the strong demand for industrial spaces.

#### (i) Batamindo Industrial Park ("**BIP**") (Batam)

As of 31 December 2023, BIP is close to full occupancy, and the total lettable factory area has increased by 10.3% from 543,800 sqm since constructing new factories. In 2023, 7 new factories totaling approximately 22,200 sqm were completed and transferred to our tenants. Another 12 new factories totaling approximately 116,400 sqm are expected to be completed and transferred in Year 2024. By the end of 2024, BIP's total lettable factory area will increase by another 19.4%.

The demand for industrial spaces in BIP remains robust, and the Group has acquired approximately 50 ha of vacant land earmarked for immediate expansion. The Group continues to explore the acquisition of more industrial land so to ensure long-term growth and success for the industrial parks.

In March 2023, Indogrosir, a leading wholesale distributor in Indonesia, specialising in a wide range of consumer goods, opened a distribution outlet in BIP that can serve up to 5,000 customers in the form of Micro, small and medium enterprises ("**MSMEs**") and other suppliers. The Group is excited about the opening of Indogrosir in BIP. This will significantly benefit BIP in terms of additional revenue and growth opportunities by attracting businesses that provide support services to Indogrosir and encourage further investment in BIP.

The Group proudly announces that its industrial park has received the "Best Sustainable Eco-Industrial Park – Resilience and Sustainable Industry 2023" award. This prestigious recognition underscores the company's commitment to sustainability and environmental stewardship.

#### (ii) Bintan Industrial Estate ("**BIE**") (Bintan)

BIE continued to perform well in 2023. The factory occupancy rate has increased from 67% to 72%, while the rental yield increased by 3.0%. Net new leases for factory spaces and industrial land in 2023 were 5,300 sqm and 4,500 sqm, respectively. Critical pipelines in BIE include Bintan Offshore Marine Center's business expansion into decommissioning oil rigs and vessels. Other potential industrial lease opportunities include windmill fabrication, food processing, and value-added services.

The Group is significantly improving BIE's performance through targeted marketing efforts by working with local and international organizations. The Group has been investing in critical infrastructures to provide a more conducive environment for our tenants and investors.



## UTILITIES

Utilities consumption and revenue in our industrial parks segment were relatively flat in FY2023 as some tenants faced production slowdowns due to a challenging macro environment. However, the Group expects a significant improvement once the tenants from new-build factories commence production. The utilities consumption and revenue in the resort segment grew by 26.8% and 31.0%, respectively, reflecting recovery in the region's tourism industry. The Group is optimistic that the revenue from this segment will further improve in 2024 with the recovery of Chinese outbound tourism.

We are investing in solar and green energy infrastructure and technology to provide sustainable power solutions for our tenants and customers in the industrial parks and resorts. This strategic move aligns with our commitment to environmental sustainability. We believe that we will have a competitive advantage from the deployment of renewable energy, which (a) reduces our carbon footprint and environmental impact, (b) enhance our energy security by diversifying energy sources and reducing reliance on fossil fuels, (c) lower operational costs in the long run and (d) enhance the attractiveness of our industrial parks and resorts to environmentally conscious businesses and investors.

The following are the updates of the Group's deployment of renewable energy:

<b>Batamindo Industrial Park</b>	Phase 1	<ul style="list-style-type: none"> <li>Install solar system with a capacity of 7.4 MWp on factory rooftop to provide approximately 8.8 million kWh p.a</li> <li>Expected to commence operation in 3Q 2024</li> </ul>
	Phase 2	<ul style="list-style-type: none"> <li>Install solar system with a capacity of 15.5 MWp (Ground mount) to provide approximately 20.5 million kWh p.a</li> <li>Expected to be completed in 2H 2025</li> </ul>
	Phase 3	<ul style="list-style-type: none"> <li>Install solar system with a capacity of 43.2 (rooftop) MWp to provide approximately 56.5 million kWh p.a</li> <li>Expected to be completed in 2H 2026</li> </ul>
	Phase 4	<ul style="list-style-type: none"> <li>Install solar system with a capacity of 73.9 (reservoir) MWp to provide approximately 96.6 million kWh p.a</li> <li>Expected to be completed in 1H 2028</li> </ul>
<b>Bintan Inti Industrial Estate</b>	Plan	<ul style="list-style-type: none"> <li>Install solar system with a capacity of 4.0 MWp (rooftop) to provide approximately 6.5 million kWh p.a</li> <li>Expected to be completed in 2H 2025</li> </ul>
<b>Bintan Resorts</b>	Plan	<ul style="list-style-type: none"> <li>Install a floating solar system with a capacity of 10.0 MWp to provide approximately 13.3 million kWh p.a</li> <li>Expected to be completed in 1Q 2025</li> </ul>



# BUSINESS REVIEW

## PROPERTY DEVELOPMENT

Our property development segment experienced a challenging year, as the year ended without any land sales and grappled with higher operating expenses. Despite this, we remain focused on our strengths and core competencies in property and infrastructure development, where we have a proven track record of delivering high-quality developments. In Bintan, our current projects include the new Bintan International Airport, a solar power plant, sustainable greenhouse farming, an international school, new hotels, commercial/retail complexes, convention centers, and the new Kepri Bay development. In Batam, our developments include the construction of new factories in BIP.

We continue actively seeking land sales and new developments that align with our strategic objectives while exploring new opportunities to drive growth in the segment. With the region's travel and tourism recovery, we are optimistic about the potential for resort land sales in Bintan. With improved tourism, new product offerings, enhanced infrastructure, and increased connectivity with the new Bintan International Airport, which is expected to be operational in 2026, it will be an attractive location for businesses and investors. This will create a thriving and sustainable demand for our landbanks. We are confident we will turn around our business in this segment soon.

## RESORT OPERATION

Bintan Resorts saw a 33.0% increase in arrivals last year, from 383,819 in 2022 to 510,459 in 2023. Correspondingly, our ferry ridership also saw a 66.4% increase, climbing from 136,301 pax in 2022 to 226,773 pax in 2023. The arrival and ferry ridership for the Year 2023 was approximately 46.6% and 53.4% of the pre-pandemic level, respectively. Despite initial optimism and proactive measures to attract tourists, including marketing campaigns and promotional offers, the number of arrivals fell short of our targets. The recovery of the arrivals has been slower than anticipated due to:

- (i) The return of Chinese tourists fell short of the initial expectation due to several factors. These include belt-tightening amid a weak economic climate, restricted international flight capacity, and expensive airfares.

- (ii) The cost of visa arrival for certain nationalities had deterred them from returning to Bintan Resorts. This has also impacted cruise ship arrival in Bintan.
- (iii) The delay in opening Mövenpick Hotel, Fourpoint by Sheraton, Hotel Indigo, and Holiday Inn Resort has resulted in lower-than-expected arrivals into Bintan.

The Group will continue to boost the number of arrivals by:

- (i) **Marketing and Promotion:** Invest in targeted marketing campaigns to raise awareness of Bintan Resorts, known for its pristine beaches, rich culture, and delicious food. The Group will double its effort on attracting domestic arrivals, which is low-hanging fruit, to jump-start the arrival.
- (ii) **Partnerships and Collaborations:** Forms partnerships and collaborations with airlines, travel agencies, and other tourism stakeholders to promote its destination and offer attractive travel packages. The Group is currently working with relevant agencies to seek visa waivers for certain nationalities to promote tourism in Indonesia.
- (iii) **Product Offerings:** Develop and enhance new tourism products and services by introducing new resorts, hotels, and new attractions, improving infrastructure, and enhancing the overall experience. The Group is excited to announce the launch of new events and attractions that promise to elevate the tourist experience and further enhance the allure of Bintan Resorts in 2024.

- Event and sport tourism

New sports tourism includes the Bintan E-Sports Championship and Bintan Regatta 2024, Bintan Resort's 2nd International Sailing Championship. Resumption of Tour de Bintan, Ironman Bintan 70.3, and Mandiri Bintan Marathon are expected to resume after 3 years of hiccup.

- Attractions

Equestrian center and Polo Club and helicopter tours.

- New hotels

After some delay, Mövenpick Hotel, Fourpoint by Sheraton, Hotel Indigo, and Holiday Inn Resort are slated to open in 2024. Several new developments on the pipeline include an International School, Independent living facilities, Bintan Market Place & The Heritage, and new hotels, theme parks, and convention centers.

- (iv) **Sustainability and Responsible Tourism:** Promote sustainable and responsible tourism practices to attract environmentally conscious tourists by implementing eco-friendly initiatives, supporting local communities, and preserving the environment.

The Group believes the resort segment will pose significant growth once China's outbound tourism rebounds amidst pent-up demand for overseas travel and the restoration of pre-pandemic flights in 2024. We are optimistic that tourist arrival will reach the pre-pandemic level by the end of 2024. Furthermore, with the New Bintan International Airport slated to be operational in 2026, the Group is confident it will further drive growth and profitability.

## OTHER BUSINESS INTERESTS

### AUTOMOTIVE

The Group's associated company, PT Indomobil Sukses Internasional Tbk ("**PT IMAS**"), has reported a net profit of S\$55.3 million in FY2023, continuing its profitability. Revenue increased 7.0% to S\$2,550.7 million, sustaining the upward trend from previous years. Furthermore, PT IMAS has formed strategic partnerships with several car and motorcycle manufacturers to add more brands such as Land Rover, Jaguar, Citroën, Harley-Davidson, and Yadea to its portfolio as part of its strategies to achieve market segmentation, brand image enhancement, diversification, and expansion. Although operating profit has increased, it was negatively impacted by higher operating expenses and funding costs. In FY2023, PT IMAS's net profit of S\$55.3 million included a fair value gain of S\$35.6 million on its investment properties. The Group has excluded the fair value gain in its results due to the differences in accounting policies for investment properties between the Group and PT IMAS. Consequently, the Group's share of PT IMAS's adjusted results was a profit of S\$7.2 million compared to S\$17.7 million in FY2022.

New developments during the year were as follows:

- (i) PT IMAS's subsidiaries, PT Seino Indomobil Logistics, its logistics arm, received three awards from PT Unilever Indonesia Tbk for the outstanding services and support provided and PT Indomobil Multi Jasa Tbk was awarded "The Most Efficient Multifinance" for the multifinance go-public category at the 2023 Bisnis Indonesia Finance Award.
- (ii) PT IMAS entered strategic partnerships with Yadea and Great Wall Motors to distribute their brand vehicles in Indonesia.
- (iii) PT IMAS entered a joint venture with Inchcape Motors Private Limited to operate Mercedes-Benz AG's Indonesian assembly and distribution operations.

PT IMAS continues to expand its portfolio of businesses through product diversification, partnership and joint ventures, and brand extension to adapt to changing market conditions, customer preferences, and technological advancements. The Group is confident in the sustained growth and positive contributions of PT IMAS, which will play a pivotal role in the Group's overall growth and success.



# BUSINESS REVIEW

## OFFSHORE MARINE

The Group's profit share from BOMC Pte Ltd ("**BOMC**") decreased to S\$0.5 million from S\$1.3 million in FY2022. This was due to lower profits recognised in FY2023, as some offshore projects commenced late in the year, and income recognition was deferred. Profits are expected to recover in 2024 upon project completion. BOMC remains focused on expanding its services in this region and is planning to launch new projects in the decommissioning of rigs and vessels and in the renewable energy and offshore wind farm sectors. BOMC has attained the Anti-Bribery Management System ISO 37001:2016 accreditation, demonstrating its commitment to delivering world-class facilities and services to its clients with integrity and transparency. The Group is confident of BOMC's growth potential and ability to contribute significantly.

## RENEWABLE ENERGY

On 8 Sep 2023, the Group's associated company, Pacific Medco Solar Energy Pte Ltd ("**PMSE**"), was granted Conditional Approval by the Energy Market Authority ("**EMA**") for a 600MW solar project to import price-competitive and reliable renewable energy from Bulan Island, Indonesia to Singapore via a dedicated high-voltage subsea cable.

## OUTLOOK AND FORGING AHEAD

Despite the ongoing uncertainties in the global economy, we remain committed to focusing on our core businesses in Batam and Bintan. This includes expanding our industrial parks segment, accelerating the deployment of renewable energy, driving tourism and related investments in Bintan Resorts, optimizing our capital structure to manage our cash and liquidity effectively, and creating long-term sustainable value for our stakeholders. We believe that by staying true to our core strengths and focus, we can navigate uncertain times with resilience and adaptability.



## FINANCIAL HIGHLIGHTS

	FY2023	FY2022
<b>INCOME STATEMENT (IN S\$ MILLION)</b>		
Revenue	<b>182.7</b>	166.8
Gross profit	<b>67.5</b>	55.3
Earnings before interest, tax, depreciation and amortisation (EBITDA)	<b>68.0</b>	56.1
Profit before taxation	<b>2.2</b>	1.6
Loss attributable to owners of the Company	<b>(14.8)</b>	(13.6)
<b>STATEMENT OF FINANCIAL POSITION (IN S\$ MILLION)</b>		
Total assets	<b>1,399.5</b>	1,378.6
Total liabilities	<b>651.8</b>	619.8
Total equity	<b>747.7</b>	758.8
Equity attributable to owners of the Company	<b>740.8</b>	751.8
Total debt	<b>392.9</b>	390.2
Total cash and cash equivalents	<b>109.1</b>	127.8
<b>SEGMENT (IN S\$ MILLION)</b>		
Revenue		
– Industrial Parks	<b>47.1</b>	41.7
– Utilities	<b>110.3</b>	108.8
– Resorts	<b>25.3</b>	16.3
– Property Developments	<b>n.m<sup>(1)</sup></b>	n.m <sup>(1)</sup>
EBITDA		
– Industrial Parks	<b>29.8</b>	23.3
– Utilities	<b>46.9</b>	32.2
– Resorts	<b>1.5</b>	(1.2)
– Property Developments	<b>(15.4)</b>	(6.5)
– Corporate	<b>5.2</b>	8.3
<b>PER SHARE DATA (IN CENTS)</b>		
Loss per share	<b>0.27</b>	0.25
Net asset value per share	<b>13.56</b>	13.76
<b>OTHER FINANCIAL INFORMATION</b>		
Current ratio (no. of times)	<b>3.5</b>	4.3
EBITDA margin	<b>37.2%</b>	33.6%
Return of equity	<b>-2.0%</b>	-1.8%
Return of assets	<b>-1.1%</b>	-1.0%
Gross debt to equity ratio (no. of times)	<b>0.5</b>	0.5
Net debt to equity ratio (no. of times)	<b>0.4</b>	0.3

<sup>(1)</sup> "n.m" denotes not meaningful



# FINANCIAL REVIEW

## GROUP FINANCIAL PERFORMANCE

The Group's revenue was S\$182.7 million, 9.5% higher than FY2022's S\$166.8 million. It was mainly due to higher revenue from industrial leases and related income and utilities driven by the increased occupancy from the industrial parks segment, higher contribution from the housing project, and robust recovery in the resort segment after the resumption of travel and tourism in this region.

In line with the increased revenue, the Group's cost of sales increased from S\$111.5 million in FY2022 to FY2023's S\$115.2 million. The Group's cost of sales to revenue ratio was 0.63 in FY2023 compared to 0.67 in FY2022. The Group's gross profit increased from S\$55.3 million in FY2022 to S\$67.5 million in FY2023.

The Group's "other income/(expenses)" was S\$13.8 million income compared to S\$1.1 million expenses in FY2022 and was mainly due to a foreign exchange gain of S\$11.3 million in FY2023 compared to a foreign exchange loss of S\$4.6 million in FY2022. The foreign exchange gain was mainly due to the translation of the Group's US Dollar-denominated financial liabilities, where the US Dollar depreciated against the Singapore Dollar in 2023.

The Group's "general and administrative expenses" were S\$21.9 million compared to FY2022's S\$20.0 million, mainly due to higher manpower-related costs and professional fees.

The Group's "other operating expenses" were higher at S\$27.5 million compared to FY2022's S\$24.3 million, mainly due to higher manpower-related costs, professional fees, repair and maintenance, and marketing-related expenses.

The Group's share of profit from its associate companies decreased from S\$19.1 million in FY2022 to FY2023's S\$7.8 million, mainly due to lower profit contribution from PT IMAS. PT IMAS's profit contribution to the Group in FY2023 decreased by S\$10.5 million or 66.4% to S\$7.2 million as:

- (i) Financing costs increased by S\$42.8 million from FY2022's S\$146.9 million to FY2023's S\$189.7 million, mainly due to higher external bank borrowing costs;
- (ii) Higher manpower-related costs, depreciation, and marketing-related expenses; and
- (iii) While PT IMAS has recognised a fair value gain of S\$35.6 million on its investment properties in FY2023, the Group did not recognise its share of the fair value gain as the Group adopts the cost method for its investment properties.

The above was partially mitigated by the following:

- (i) PT IMAS's revenue increased by S\$166.5 million from S\$2,384.2 million in FY2022 to FY2023's S\$2,550.7 million, mainly due to higher trucks and heavy-duty equipment sales, after-sales services, and car rental related business. In line with higher revenue, PT IMAS's gross profit increased by S\$34.5 million or 7.1% in FY2023, and
- (ii) PT IMAS recorded a lower net foreign exchange loss of S\$4.1 million in FY2023 compared to FY2022's S\$11.4 million.

The Group's "finance costs" were S\$37.5 million, higher than FY2022's S\$27.3 million, mainly due to the increased external bank interest rates.



The Group reported a net loss attributable to the owners of the Company of S\$14.8 million compared to S\$13.6 million in FY2022.

Despite higher net loss for FY2023, the Group's EBITDA has increased from FY2022's S\$56.1 million to FY2023's S\$68.0 million on higher operating profit.

The Group's basic and diluted net loss per share was 0.27 cents for the year under review.

## SEGMENTAL FINANCIAL PERFORMANCE

### INDUSTRIAL PARKS

Revenue increased from S\$41.7 million in FY2022 to S\$47.1 million in FY2023. It was mainly due to higher industrial leases and related income due to increased occupancy in Batamindo Industrial Park and Bintan Industrial Estate and higher contributions from the housing project in Batam. In line with higher revenue, this segment reported a net profit of S\$10.8 million in FY2023 compared to \$5.8 million in FY2022. EBITDA contribution was S\$29.8 million compared to S\$23.3 million in FY2022.

### UTILITIES

Revenue increased by S\$1.5 million, from S\$108.8 million in FY2022 to S\$110.3 million in FY2023, mainly due to higher utility consumption in the resorts. Net profit increased significantly from S\$7.2 million to S\$18.6 million mainly due to better profit margin and foreign exchange gain of S\$1.2 million compared to foreign exchange loss of S\$10.5 million in FY2022 but partially offset by higher finance costs. EBITDA contribution was S\$46.9 million compared to S\$32.2 million in FY2022.

### PROPERTY DEVELOPMENT

This segment reported a higher net loss of S\$18.9 million in FY2023 compared to S\$10.2 million in FY2022. It was mainly due to higher operating expenses and a foreign exchange loss of S\$79k compared to a foreign exchange gain of S\$8.0 million in the previous year. EBITDA contribution was -\$15.4 million compared to -\$6.5 million in FY2022.

### RESORT OPERATIONS

Revenue increased substantially from S\$16.3 million in FY2022 to S\$25.3 million in FY2023 with the region's travel and tourism recovery. In line with higher revenue, the net loss has reduced from FY2022's S\$5.4 million to FY2023's S\$3.5 million but was partially offset by higher manpower-related expenses, repair and maintenance, and financing costs. EBITDA contribution was S\$1.5 million compared to -\$1.2 million in FY2022.

## FINANCIAL POSITION

As of 31 December 2023, the Group's total assets were S\$1,399.5 million compared to the previous year-end of S\$1,378.6 million.

The Group's property, plant and equipment increased by S\$29.1 million mainly due to capital expenditure on building, infrastructure, and construction of new factories but partially offset by depreciation. The Group's right-of-use assets and investment properties decreased by S\$6.6 million, mainly due to depreciation.

The Group's associates increased by S\$10.5 million, mainly due to its share of associates' profit and other comprehensive income from PT IMAS.

The Group's trade receivables increased by S\$0.3 million, and other receivables increased by S\$0.6 million mainly due to the advances paid to contractors for the construction of new industrial factories, development of the airport project, construction of resort-related facilities, and Solar PV project.

The Group's other non-current assets increased by S\$2.3 million, mainly due to the recognition of prepaid taxes.

As at 31 December 2023, the Group's total liabilities were S\$651.8 million compared to the previous year-end of S\$619.8 million. The Group's borrowings increased by S\$6.6 million, mainly due to the utilisation of the New Facilities the Group obtained on 5 June 2023 but offset by repayment and lower translated borrowings arising from the translation of the US Dollar borrowings into Singapore Dollar as of 31 December 2023.

The Group's trade and other payables increased by S\$7.7 million, mainly due to contractors and suppliers for constructing new factories in Batamindo Industrial Park and the ongoing development of Lagoi Bay in Bintan Resorts.





## FINANCIAL REVIEW

The Group's lease liabilities decreased by S\$3.9 million, mainly due to the repayment of the principal portion of the lease liabilities. The Group's other non-current liabilities increased by S\$2.7 million, mainly due to increased rental and electricity deposits from the industrial park tenants for the new factories.

The Group's contract liabilities increased by S\$19.9 million mainly due to higher rental receipts in advance from the industrial park tenants and higher receipts of advances from travel agents for tour packages to Bintan Resorts after the recovery of travel and tourism activities in this region.

The Group's Net Asset Value ("**NAV**") per share as of 31 December 2023 was 13.56 cents.

### CASH FLOWS

For the year under review, net cash inflow from operating activities was S\$22.2 million compared to S\$22.0 million generated in the previous year. S\$52.7 million of the S\$74.9 million cash generated from operating activities was used to finance the payment of income tax and interest.

The Group had a net cash outflow of S\$50.9 million from investing activities compared to S\$14.5 million in the previous year, mainly due to increased capital expenditure for constructing new factories in Batamindo Industrial Park.

The Group had a net cash inflow of S\$7.2 million from financing activities compared to a S\$17.2 million net cash outflow in the previous year. The net cash inflow in the current

year was due to the utilisation of the New Facilities after netting repayment of existing borrowings and the principal portion of the lease liabilities.

The Group's cash and cash equivalents in the statement of cash flows were S\$90.6 million on 31 December 2023 compared with S\$112.1 million on 31 December 2022.

### LIQUIDITY AND FINANCIAL RESOURCES

For the financial year ended 31 December 2023, the Group's working capital was mainly financed by internal resources. The advance payment from the tenants and bank borrowings financed the Group's capital expenditure for constructing new factories. As of 31 December 2023, the cash and bank balances were S\$109.1 million, which decreased by 14.6% compared to S\$127.8 million as of 31 December 2022. The Group's current ratio was approximately 3.5 times (31 December 2022 – 4.3 times).

As at 31 December 2023, the Group's borrowings were S\$382.4 million. Borrowings due within one year were S\$71.2 million (31 December 2022 – S\$47.1 million), and borrowings due after one year were S\$311.2 million (31 December 2022 – S\$328.7 million). The Group's total debts, including lease liabilities, were S\$392.9 million (31 December 2022 – S\$390.2). As of 31 December 2023, the Group's gearing ratio was 0.53 (31 December 2022 – 0.51), which was calculated on the Group's total debts to share shareholders' equity (including non-controlling interests).





# SUSTAINABILITY REPORT 2023





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# SUSTAINABILITY REPORT

## BOARD SUSTAINABILITY STATEMENT

GRI 2-22

The Board of Directors of Gallant Venture Ltd. (“**Board**”) recognises the importance of conducting our operations in a manner that considers environmental and social impacts to ensure the success and sustainability of the business. The Board oversees the Sustainability Reporting Committee (“**SRC**”). It maintains overall responsibility and oversight of how material environmental, social, and governance (“**ESG**”) issues are identified based on their significance to the Group’s businesses and key stakeholders, along with managing the related risks and opportunities.

We have undertaken several initiatives (short to long-term) aimed at reducing our carbon footprint and minimising environmental impact. Our initiatives include implementing

energy-efficient practices in our operations, such as upgrading to LED lighting and installing solar streetlights and light motion sensors for better energy management. We have started to replace our conventional gasoline-powered vehicles with electric vehicles. Additionally, we are transitioning to renewable energy sources to provide renewable energy to our tenants in the industrial parks and resorts. These initiatives reflect our commitment to environmental sustainability and our proactive approach towards reducing our emissions and mitigating the impacts of climate change.

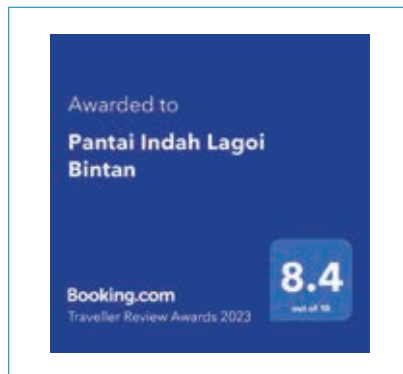
As we continue our sustainability journey, we are committed to ensuring sustainable growth for the Group and refining our sustainability reporting.

## AWARDS AND RECOGNITION

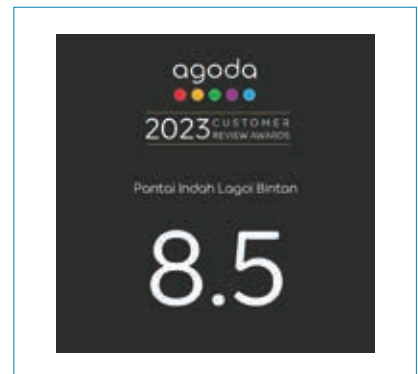
We are pleased to highlight the key awards we received this year in recognition of our strong operational and sustainability performance, which our stakeholders and customers support.



*The Most Innovative In-House Counsel Team in Industrial and Real Estate*



*Traveller Review Rewards 2023*



*Customer Review Awards 2023*



*Gold Circle Awards 2023*



*Top 3 Best Halal Industrial Estate Awards 2023*



*Best Sustainable Eco Industrial Park - Resilience and Sustainable Industry 2023*

# SUSTAINABILITY REPORT



## ABOUT THIS REPORT

GRI 2-3, 2-4, 2-5

Gallant Venture Ltd. (“**GV**” or the “**Group**”) publishes an annual sustainability report on its sustainability practices and performance concerning the ESG issues identified to be material to its business operations and stakeholders. This is our seventh consecutive sustainability report (“**SR2023**”), and it covers the reporting period from 1 January 2023 to 31 December 2023, which is in alignment with the Group’s financial year for 2023 (“**FY2023**”).

This report is available on our corporate website at [www.gallantventure.com](http://www.gallantventure.com) and should be read in conjunction with our Annual Report for FY2023 on the Group’s businesses and financial performance. While we have not obtained external independent assurance on this report, the Group’s sustainability reporting process is subject to internal review by the Group’s internal audit function. There are no restatements of information in this report. This report was published on 12 April 2024.

## REPORTING FRAMEWORK

This report has been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards (“**GRI Standards**”), which is the most widely used sustainability reporting standard globally. For this report’s complete list of GRI disclosures, please refer to the GRI Content Index on pages 64 to 66. This report also aligns with the Singapore Exchange (“**SGX**”) Listing Rules 711A, 711B, and Practice Note 7.6 Sustainability Reporting Guide.

In line with SGX’s requirement for climate-related disclosures, our climate-related financial disclosures are guided by recommendations of the Taskforce on Climate-related Financial Disclosures (“**TCFD**”). Our TCFD disclosures can be found on pages 55 to 63. We also actively support the United Nations Sustainable Development Goals (“**UN SDGs**”) and have mapped our sustainability efforts to the relevant SDGs on pages 40 to 41.

## REPORTING SCOPE AND BOUNDARIES

GRI 2-2

This report covers the Group’s subsidiaries (excluding associated companies over which the Group has no control), equivalent to the entities disclosed in GV’s financial statements. The scope of the prior sustainability reports included subsidiaries in the Industrial Parks, Utilities, and Resort Operation segments. This year, we added data from our Property Development and Corporate segment, including all subsidiaries, as part of our commitment to transparency, accountability, and a more comprehensive understanding of our overall impact on sustainability issues. We hope that this will support our stakeholders to make informed decisions based on a broader understanding of our operations and performance.

## FEEDBACK

GRI 2-3

We welcome continuous feedback to improve our sustainability practices, performance, and reporting. Any feedback or comments regarding our report can be addressed to [gallant@gallantventure.com](mailto:gallant@gallantventure.com).

# SUSTAINABILITY REPORT

## ABOUT GALLANT VENTURE

### OVERVIEW

GRI 2-1

Gallant Ventures Ltd. is an Indonesia-focused investment holding company headquartered and listed in Singapore and with operations primarily on the islands of Batam and Bintan, Indonesia. Our business is uniquely positioned to benefit from the strategic alliance between the Singapore and Indonesian governments and our proximity to Singapore.

### Vision and Mission

We are committed to creating growth and delivering long-term value to our stakeholders by integrating sustainability into our businesses to achieve financial success while fostering a positive environmental and societal impact.

### CORE BUSINESS

GRI 2-6

The core business segments of the Group are Utilities, Industrial Parks, Property Development, and Resort Operations. Through the Group's associated companies, PT Indomobil Sukses International Tbk ("PT IMAS") and BOMC Pte Ltd ("BOMC"), the Group also has business interests in the automotive and offshore marine industries, respectively.

### SUPPLY CHAIN

GRI 2-6

Our supply chain comprises Singapore, Indonesia, Malaysia, and the United Kingdom suppliers. Most of our suppliers are based in Indonesia, where our core operations are located. Where possible, we will procure materials needed for our operations from local suppliers to shorten our supply chain and foster closer relationships with the communities and regional partners.

As part of our sustainability strategy, our focus extends beyond traditional considerations when sourcing suppliers. We seek suppliers who share our commitment to minimising environmental impact, fostering fair labour practices and maintaining strong governance standards to contribute positively to environmental preservation, social equity and ethical business conduct.

### MEMBERSHIPS AND ASSOCIATIONS

GRI 2-28

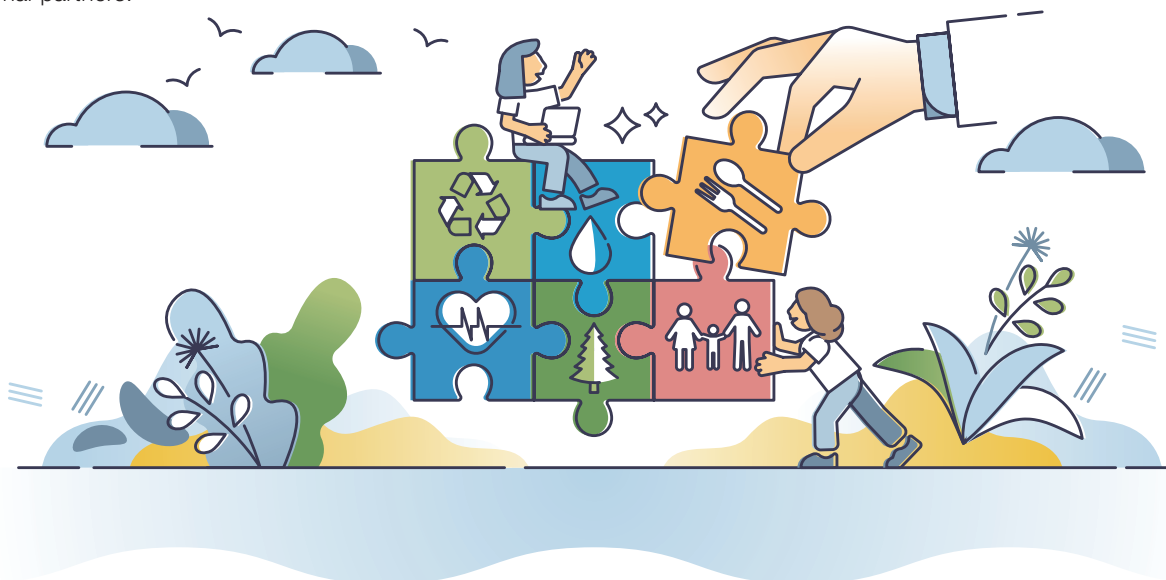
The Group has memberships in the relevant industry organisations to participate in networking, knowledge-sharing, advocacy and access to resources that can contribute to our growth and success.

#### Indonesia

- The Indonesia Employers Association
- The Indonesian Chamber of Commerce and Industry
- Indonesian Industrial Estates Association
- The Indonesian Hotels and Restaurants Association
- The Assessment Institute for Foods, Drugs and Cosmetics, the Indonesian Council of Ulama (LPPOM MUI)

#### Singapore

- American Chamber of Commerce in Singapore
- The Singaporean-German Chamber of Industry and Commerce
- The Singapore Business Federation
- Singapore National Employers Federation





# SUSTAINABILITY REPORT

## SUSTAINABILITY MANAGEMENT

### SUSTAINABILITY GOVERNANCE STRUCTURE

GRI 2-12, 2-13, 2-14, 2-16, 2-26

The Group has an established governance structure for sustainability-related issues involving the Board, the Sustainability Reporting Committee, and the management team. Having a structure enables efficient decision-making with clear authority and accountability in addressing sustainability-related issues.

The Board and management of GV consider sustainability matters in the Group’s operations and strategy, determine material ESG factors and ensure that sufficient monitoring mechanisms are in place.

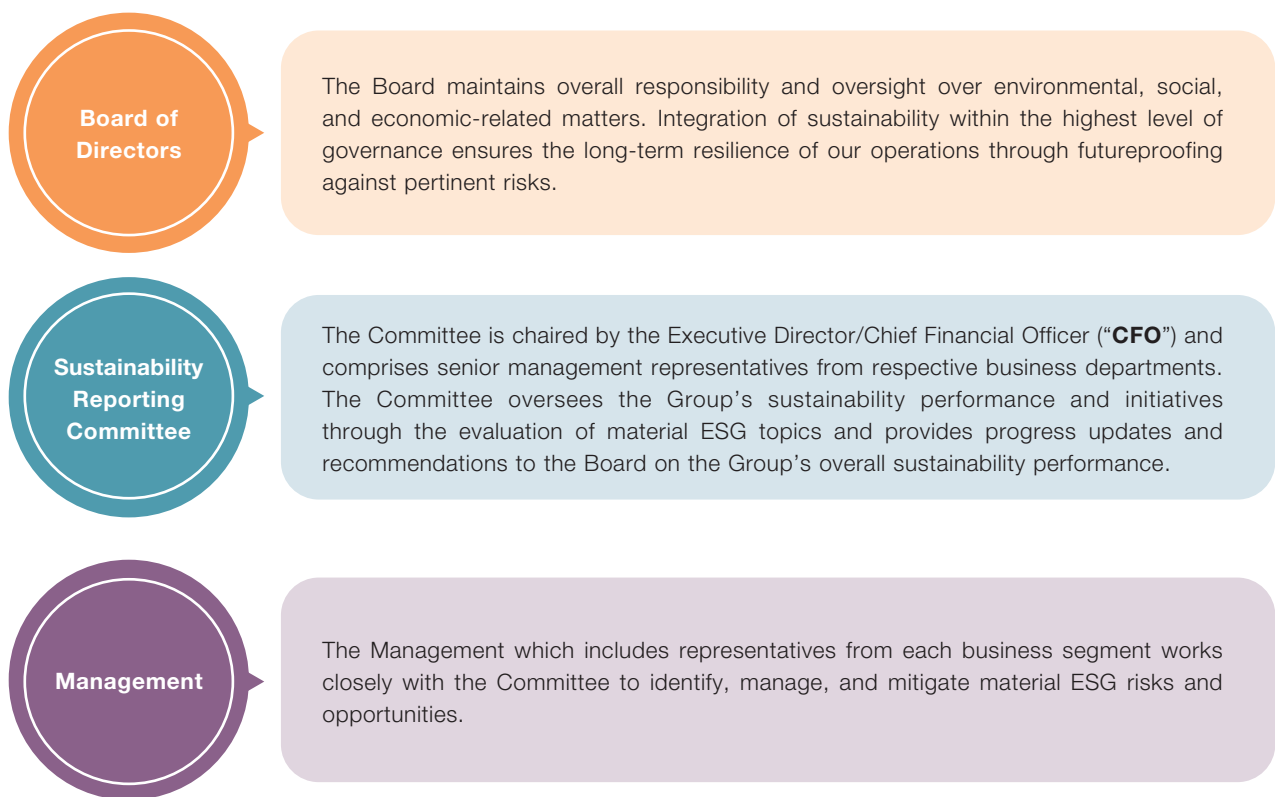


Figure 1: GV’s Sustainability Governance Structure

### Corporate Governance

GRI 2-11, 2-17, 2-18, 2-19, 2-20

The Board places paramount emphasis on high standards of corporate governance as the foundation of its corporate culture. The Board is committed to fostering a culture of accountability, transparency, and ethical decision-making in its business conduct. For detailed disclosure of the Group’s corporate governance practices, please refer to the Corporate Governance section on pages 68 to 89 of our Annual Report 2023.

### Risk Management

The Board is responsible for the governance of risks and sets the direction for the Group in how risks are managed to safeguard its assets and shareholder’s interests. The Audit and Risk Management Committee (“**ARMC**”) functions as the Risk Committee and has been tasked to assist the Board in overseeing the governance of risks and monitoring the Group’s risks through its risk management framework and internal control systems.

# SUSTAINABILITY REPORT

With the assistance of the internal and external auditors, among others, the ARMC reviews management's assessment of risks and its action plans, supports the Board in setting risk appetite for significant risks, reviews the adequacy and effectiveness of the Group's risk management and material internal controls and reports to the Board on matters, findings and recommendations relating to risk management. In addition, we maintain a group-level risk register that is updated quarterly to assess, monitor, and address identified risks and ensure they are managed adequately.

## STAKEHOLDER ENGAGEMENT

GRI 2-29

We recognise the importance of engaging our stakeholders and identifying the stakeholders with a vested interest in our businesses. They may have a significant impact and influence on us and vice versa in our business conduct. We engage our key stakeholders through various channels to understand their expectations and interests and seek to build strong relationships with them.

Stakeholder Group	Key Topics and Concerns	Engagement Channels	Frequency of Engagement
<b>Shareholders/Investors</b>			
We are committed to conducting our business in a manner that ensures sustainable growth and brings long-term value to our shareholders.	<ul style="list-style-type: none"> <li>• Business and financial performance</li> <li>• Growth and long-term value</li> <li>• Ethical business practices</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate website, Financial reports and Annual Reports</li> <li>• Annual General Meetings and/or Extraordinary General Meetings</li> <li>• Investor meetings, presentations and dialogues</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• Half-yearly</li> <li>• As and when required</li> </ul>
<b>Suppliers</b>			
We expect suppliers to adhere to our policies and codes and collaborate to improve sustainability and responsible practices.	<ul style="list-style-type: none"> <li>• Ethical business practices</li> <li>• Procurement practices</li> <li>• Supplier and business partner relationships</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier evaluation exercises</li> <li>• Routine and ongoing communications</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
<b>Customers</b>			
Our customers are the primary reason for our business existence. We aim to assist our customers in meeting their ESG requirements.	<ul style="list-style-type: none"> <li>• Quality and safety of our services</li> <li>• Customer data protection and privacy</li> </ul>	<ul style="list-style-type: none"> <li>• Customer site visits</li> <li>• Routine and ongoing communications</li> <li>• Corporate events</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
<b>Government/Regulators</b>			
Beyond meeting regulatory requirements, we recognise that the government/regulators play a crucial role in the business environment. We must build and maintain good relationships.	<ul style="list-style-type: none"> <li>• Compliance with relevant laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Meetings, trainings, and seminars</li> </ul>	<ul style="list-style-type: none"> <li>• As and when required</li> </ul>

# SUSTAINABILITY REPORT

Stakeholder Group	Key Topics and Concerns	Engagement Channels	Frequency of Engagement
<b>Communities</b>			
<p>We are part of the communities where our activities can impact society and the environment. We will continue to improve our corporate social responsibility programs to support their development and well-being.</p>	<ul style="list-style-type: none"> <li>• Community engagement</li> <li>• Environmental and social impact</li> </ul>	<ul style="list-style-type: none"> <li>• Corporate Social Responsibility (CSR) activities and initiatives</li> </ul>	<ul style="list-style-type: none"> <li>• Throughout the year</li> </ul>
<b>Employees</b>			
<p>Employees are essential for the day-to-day operations and long-term success of our businesses. Their skills, motivation, and well-being influence productivity, innovation, and organisational culture.</p>	<ul style="list-style-type: none"> <li>• Career progression</li> <li>• Benefits and remuneration</li> <li>• Fair employment practices</li> </ul>	<ul style="list-style-type: none"> <li>• Annual performance reviews</li> <li>• Dialogue sessions within internal departments</li> <li>• Company events and team bonding activities</li> </ul>	<ul style="list-style-type: none"> <li>• Annually</li> <li>• As and when required</li> </ul>

## MATERIALITY ASSESSMENT

GRI 3-1, 3-2

We conducted a comprehensive materiality assessment in FY2022 to review the ESG concerns of our respective key stakeholders. We aim to conduct detailed assessments on a biennial basis.

As shown below, we employ the following process to understand our stakeholders’ sustainability concerns and identify the relevant material ESG topics to the Group.



# SUSTAINABILITY REPORT

## Materiality Mapping

The Group identified ESG topics relevant to our operations, further categorised into 3 pillars: Business Foundation, Environment and People and Community. The table below maps the material topics to the relevant GRI disclosures and key stakeholders:




Pillar	Material Topic	GRI Disclosure	Stakeholders
<b>Business Foundation</b>	Economic Performance	<b>GRI 201: Economic Performance</b> <ul style="list-style-type: none"> <li>GRI 201-1: Direct economic value generated and distributed</li> </ul>	Shareholders Employees
	Anti-Corruption	<b>GRI 205: Anti-corruption</b> <ul style="list-style-type: none"> <li>GRI-205: Communication and training about anti-corruption policies and procedures</li> </ul>	Shareholders Government/ Regulators
<b>Environment</b>	Energy	<b>GRI 302: Energy</b> <ul style="list-style-type: none"> <li>GRI-302-1: Energy consumption within the organisation</li> <li>GRI-302-3: Energy intensity</li> </ul>	Shareholders Government/ Regulators
	Emissions	<b>GRI 305: Emissions</b> <ul style="list-style-type: none"> <li>GRI-305-1: Direct (Scope 1) GHG emissions</li> <li>GRI-305-2: Energy indirect (Scope 2) GHG emissions</li> <li>GRI-305-4: GHG emissions intensity</li> </ul>	Shareholders Government/ Regulators
	Sustainable Sourcing	<b>GRI 308: Supplier Environmental Assessment</b> <ul style="list-style-type: none"> <li>GRI-308-1: New suppliers that were screened using environmental criteria</li> </ul>	Suppliers Communities
<b>People and Community</b>	Human Capital and Diversity	<b>GRI 401: Employment</b> <ul style="list-style-type: none"> <li>GRI-401-1: New employee hires and employee turnover</li> </ul> <b>GRI 405: Diversity and Equal Opportunity</b> <ul style="list-style-type: none"> <li>GRI-405-1: Diversity of governance body and employees</li> </ul>	Employees
	Training and Education	<b>GRI 404: Training and Education</b> <ul style="list-style-type: none"> <li>GRI-404-1: Average hours of training per year per employee</li> </ul>	Employees
	Health and Safety	<b>GRI 403: Occupational Health and Safety</b> <ul style="list-style-type: none"> <li>GRI-403-9: Work-related injuries</li> <li>GRI-403-10: Work-related ill health</li> </ul>	Employees Government/ Regulators
	Community-based Empowerment	<b>GRI 413: Local Communities</b> <ul style="list-style-type: none"> <li>GRI-413-1: Operations with local community engagement, impact assessments, and development programs</li> </ul>	Communities





# SUSTAINABILITY REPORT

## CONTRIBUTING TO THE UNITED NATIONS SUSTAINABILITY DEVELOPMENT GOALS

We are committed to contributing directly and indirectly to achieving the United Nations Sustainability Development Goals (UN SDGs) through our operations, creating a positive impact aligned with the global agenda. The table below shows our focus areas:

SDG	Description	Page Reference
 <p><b>Goal 7: Affordable and Clean Energy</b></p>	<p>As a utility provider, we know that our business operations – which encompass services such as power, water, waste management, and telecommunications – have potential environmental impacts. To reduce negative impacts, we have established various measures to increase operational efficiency and minimise energy use, which are further described in this report’s Energy and Emissions section. These initiatives are aligned with our target to attain more than 80% efficiency rate in our power generation.</p> <p>We also recognise that we can positively impact the transition to renewable energy as a utility provider and operator of several physical assets for tenants and other customers. This has led us to undertake several developments in installing solar photovoltaic systems at our properties to help reduce our and our tenants’ carbon footprint.</p>	<p>Page 42-44</p>
 <p><b>Goal 8: Decent Work and Economic Growth</b></p>	<p>Our core sustainability philosophy and business ethics are reflected in our vision and mission to create growth and deliver long-term value to our stakeholders by integrating sustainability into our businesses to achieve financial success while fostering a positive environmental and societal impact.</p> <p>We seek to provide employment opportunities for the communities where our operations are located. We actively create and maintain a conducive work and recreational environment for employees, tenants and customers in our industrial parks, properties, and resorts. Our organisation-wide efforts allow all our employees to accomplish their career development goals.</p> <p>We also provide job advancement and training opportunities to our employees to enhance their competence and productivity and internship opportunities for youth and job seekers to gain valuable on-the-job experience.</p>	<p>Page 35, 48</p>
 <p><b>Goal 12: Responsible Consumption and Production</b></p>	<p>We aim to sustainably manage our use of resources by consistently tracking resource consumption metrics such as energy and water consumption. We have established targets of 80% efficiency rates for both power generation and water treatment and have steadily outperformed the targets, ensuring that we do not waste precious resources on these two integral activities of our business.</p> <p>We also incorporate ESG criteria into our supplier selection process to procure the products we use in our operation that do not harm the environment. We strive to create a sustainable supply chain across our operations for the long-term interest of the Group.</p>	<p>Page 35, 45</p>

# SUSTAINABILITY REPORT

SDG	Description	Page Reference
 <p><b>Goal 13:</b> <b>Climate Action</b></p>	<p>This year, we conducted a qualitative scenario analysis to understand the potential climate-related risks and opportunities relevant to the Group. Our goal is to be prepared to support positive efforts to combat climate change with several response plans that have been developed in identified areas where we can exercise our local influence. More details of these response plans can be found in the TCFD Disclosures section.</p> <p>We remain committed to reducing our Scope 1 and 2 greenhouse gas (“GHG”) emissions as far as possible. Mitigating our role in causing adverse effects on the environment is a paramount focus in our business strategy.</p>	Page 42 to 44, 55 to 63
 <p><b>Goal 16:</b> <b>Peace, Justice and Strong Institutions</b></p>	<p>The Group adopts an Anti-Corruption Policy, which takes a zero-tolerance approach against bribery, corruption, fraud and other forms of unethical behaviour.</p> <p>The policy undergoes regular review and updates to ensure it aligns with the evolving needs of the Group. Evaluating the effectiveness of the policy involves assessing the results of various anti-corruption measures, including preventive, detective, and responsive actions.</p>	Page 42

## BUSINESS FOUNDATION

### ECONOMIC SUSTAINABILITY

GRI 2-23, 2-24, 2-25, 3-3, 201-1

A company’s economic performance is a key indicator of its overall health and ability to thrive in the long term. Sustainable businesses must not focus on short-term profits and demonstrate the capacity to generate consistent benefits to stakeholders, from shareholders and employees to local communities.

At GV, we aim to achieve this by pursuing identified markets and business opportunities with long-term economic growth potential and aligning with our desire to impact sustainable development positively. We strive to use resources efficiently, minimise waste, and invest in sustainable technologies and infrastructure to maximise our economic efficiency and competitiveness while lowering our environmental footprint as much as possible.

The table below summarises our economic performance for this reporting year:

Performance metric	2023	2022
Economic value generated (in S\$ million)	<b>182.7</b>	166.8
Economic value distributed (in S\$ million)	<b>219.1</b>	149.1
Economic value retained (in S\$ million)	<b>(36.4)</b>	17.7

### Performance

We do not set a target for economic performance as we emphasise long-term value creation by focusing on sustainable growth instead.

Our full-year financial results can be found in Annual Report 2023. Please refer to the following particular sections for a holistic picture:

Letter to Shareholders	Page 19
Business Review and Financial Review	Page 21 and 28
Financial Highlights	Page 27
Financial Statements	Page 91

# SUSTAINABILITY REPORT

## ANTI-CORRUPTION

GRI 2-23, 2-24, 2-25, 2-26, 2-27, 3-3, 205-2

The Group is committed to upholding honesty and ethical standards in all its activities. Robust measures have been put in place to minimise corruption and ensure continuity of our business operations. A strict zero-tolerance policy is in effect, encompassing all forms of unethical corporate conduct, such as bribery, corruption, and fraud. Our Anti-Corruption Policy, including anti-corruption principles and guidance, applies to all staff members, including Directors and Officers.

Despite the comprehensive nature of our Anti-Corruption Policy, we acknowledge that it may not cover every conceivable situation an employee might encounter. Consequently, we strongly encourage employees to seek guidance from their supervisors promptly, the Human Resources (“HR”) Department, the Legal Department, or senior management if they find themselves uncertain about a particular situation.

Our Anti-Corruption Policy encompasses three primary objectives:

1. Clearly define the Group’s and individual employees’ responsibilities in upholding a zero-tolerance stance against unethical business practices.
2. Providing employees with information and guidance on recognising, addressing, resolving, avoiding, and preventing instances of unethical business practices that may arise during their tenure.
3. Offering explicit guidance and explanations on ethical conduct, legal compliance, anti-corruption measures, acceptance of gifts and hospitality, and donations and contributions.

Our Anti-Corruption Policy is regularly reviewed and revised to ensure alignment with the evolution of the Group. The effectiveness of the policy is gauged by assessing the outcomes of various preventive, detective and responsive anti-corruption measures. There were no confirmed cases of corruption or public legal cases regarding corruption that were brought against our employees during the reporting period.

New employees must adhere to our policies right from their employment. Additionally, the Group has established stringent controls within its procurement processes, underscoring our dedication to ethical business practices. This sends a clear message to our suppliers regarding our unwavering stance against corruption.

## Performance

### Anti-Corruption

FY2023 Target : Continue to have 100% coverage in communicating the anti-corruption policies and procedures to all Board members and employees

FY2023 Achievement : 100% coverage

FY2024 Target : Continue to maintain 100% coverage in communicating the anti-corruption policies and procedures to all Board members and employees

## ENVIRONMENT

### ENERGY AND EMISSIONS

GRI 2-23, 2-24, 2-25, 3-3, 302, 303, 305

As a utility provider, we are aware that our services have potential impacts on the environment, including the following:

- (a) Power: Relying on fossil fuels (fuel, oil and natural gas) for energy generation contributes to air pollution and greenhouse gas emissions. This has significant environmental implications, including climate change, smog formation, and negative effects on air quality.
- (b) Water and wastewater treatment: The extraction of water for treatment can impact local ecosystems, especially in regions facing water scarcity. The chemicals used in water treatment processes can have environmental consequences if not appropriately managed.
- (c) Waste management: Improper waste disposal can lead to pollution, soil degradation, and the emission of harmful gases from landfills. If not handled and disposed of properly, hazardous waste can pose serious environmental risks, including soil and water contamination.
- (d) Telecommunication and Internet services: The rapid turnover of electronic devices and infrastructure can contribute to the generation of e-waste.

We often face the challenge of balancing profitability with the environmental impact resulting from our operations. We recognise the need for corporate responsibility in the face of climate change. We are committed to mitigating our environmental impact by embracing sustainability and participating in building a more resilient and sustainable

# SUSTAINABILITY REPORT

business. We have undertaken several efforts to reduce our energy consumption and carbon footprint by adopting the following approaches and initiatives:

(i) Transition to renewable and low-emission energy sources

We are shifting towards renewable energy sources such as solar and lower-emission energy sources, investing in clean energy technologies to reduce greenhouse gas emissions and promoting a more sustainable energy grid.

(ii) Energy efficiency programs

We are implementing energy efficiency programs to reduce overall energy consumption. This can include promoting energy-efficient equipment and appliances, replacing conventional vehicles with electric vehicles and upgrading or conducting maintenance infrastructure to enhance energy efficiency.

(iii) Investment in technologies

Implementing technologies to enhance the efficiency of energy distribution and consumption. This involves technology that helps manage energy resources more optimally, reduces transmission losses, and supports the integration of renewable energy sources.

(iv) Biodiversity conservation

Adopting eco-friendly construction practices for our infrastructure development and implementing habitat restoration projects to mitigate negative effects on ecosystems. This includes master planning and implementing Greenbelt design and guidelines for all new Bintan hotels, resorts and facilities developments.

(v) Community engagement and education

We are engaging with local communities to raise awareness about environmental issues and promote sustainable practices. We work with the local community on mangrove and tree replanting programs and organise a monthly 'Environment Day' to raise awareness and promote actions on environmental issues.

(vi) Environmental assessment

We conduct environmental impact assessments in accordance to the government's environmental impact assessment system in relation to obtaining environmental permits. This assessment examines water discharge and impact to air quality from emissions, among other assessment areas and use the results to identify areas of improvement towards achieving better sustainability performance.

(vii) Government and industry collaboration

We collaborate with government agencies, regulatory bodies and other industry stakeholders to comply with all applicable environmental laws, regulations, and other relevant requirements.

(viii) Investment in research and development

Continuing investment in research and development leads to the discovery of innovative technologies and practices that further reduce the environmental footprint of our utility operations such as green hydrogen, carbon capture and other low-carbon technologies.

By integrating these measures into our operations, we can continue contributing to environmental conservation and the global effort to address climate change. Further details of implemented initiatives are described in the TCFD Disclosure segment of the report on pages 55 to 63.

The following table shows key energy and emissions-related metrics for the reporting year:

Performance metric	2023	2022
Energy consumption (kWh)	<b>65,172,710</b> <sup>1</sup>	51,360,204
Energy intensity (kWh/S\$)	<b>0.36</b>	0.31
Efficiency in power generation (%) <sup>2</sup>	<b>93</b>	93
GHG emissions (Scope 1) (tCO <sub>2</sub> e) <sup>3</sup>	<b>14,183</b>	12,724
GHG emissions (Scope 2) (tCO <sub>2</sub> e) <sup>4</sup>	<b>3,662</b>	2,478
GHG emissions intensity (kgCO <sub>2</sub> e/S\$) <sup>5</sup>	<b>0.10</b>	0.09

<sup>1</sup> Note that the increase in energy consumption and GHG emissions is partially due to the inclusion of Property Development and Corporate segments in energy and emissions data this year.

<sup>2</sup> Efficiency in power generation is measured using power sold over total power generation.

<sup>3</sup> Emission factors for conversion of fuel consumption data were obtained from Department for Environment, Food & Rural Affairs (DEFRA) Greenhouse gas reporting: conversion factors 2023.

<sup>4</sup> Emission factors of grid emissions for conversion of energy consumption data were obtained from Institute for Global Environmental Strategies (IGES) List of Grid Emission Factors v11.3.

<sup>5</sup> Scope 1 and 2 GHG emissions were included, comprising of CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O. The chosen denominator was revenue for FY2023 and FY2022 respectively.



# SUSTAINABILITY REPORT

## Performance

### Efficiency rate in power generation

FY2023 : =>80%  
Target

FY2023 : 93%  
Achievement

FY2024 : Continue to maintain =>80%  
Target

### GHG emissions (Scope 1)

FY2023 : 10% reduction from 2017 baseline of  
Target 17,962 tCO<sub>2</sub>e

FY2023 : 14,284 tCO<sub>2</sub>e (20% reduction of 2017  
Achievement baseline)

FY2024 : 12% reduction from 2017 baseline of  
Target 17,962 tCO<sub>2</sub>e

### GHG emissions (Scope 2)

FY2023 : Due to the inclusion of the Property  
Target Development and Corporate segment in 2023, it is not feasible to establish a direct baseline comparison with the preceding year, FY2022. As such, no target has been set for FY2023

FY2023 : 3,662 tCO<sub>2</sub>e  
Achievement

FY2024 : 2% reduction from the 2023 baseline of  
Target 3,662 tCO<sub>2</sub>e

## WATER CONSUMPTION

We disclose information on water consumption, conservation efforts and related initiatives to provide our stakeholders with a holistic understanding of our environmental impact. Our business operations rely heavily on water supply and we acknowledge the need to manage our water use appropriately. We recognise water resources' crucial role in environmental conservation and its broader societal impact. We are committed to responsible business practices and adopt a proactive stance towards accountability and sustainability even in areas that may not be identified as material topics but where our operations may exert significant impact.

We have undertaken several efforts to reduce our water consumption by adopting the following activities:

### (a) Water conservation measures

We are adopting water conservation measures such as reducing water leakages, promoting water-saving technologies and initiatives, upgrading and maintenance of infrastructure to enhance efficiency, exploring alternative water sources (such as using rainwater for washing and watering) and educating customers about responsible water usage and recycling.

### (b) Environmental assessment

Environmental impact assessments should be performed in accordance with national and international standards and practices (such as the WHO Standard Guidelines and ISO 14001:2015) to identify environmental risks and support water conservation. The ISO 14001:2015 – Environmental Management Systems assessments are conducted every three years.

The following table shows the water consumption and efficiency rate of our water treatment process for the reporting year:

Performance metric	2023	2022
Water consumption (megalitre) <sup>6</sup>	555 <sup>7</sup>	472
Efficiency in the water treatment process (%) <sup>8</sup>	88	87

## Performance

### Efficiency rate in the water treatment process

FY2023 Target : =>80%

FY2023 Achievement : 88%

FY2024 Target : Continue to maintain =>80%

<sup>6</sup> All water is withdrawn from Bintan and Batam, which are considered regions experiencing high water stress according to World Resources Institute Aqueduct tool: <https://www.wri.org/aqueduct>.

<sup>7</sup> Note that the increase in water consumption is primarily due to the inclusion of the Property Development segment in water consumption data this year.

<sup>8</sup> Efficiency in water treatment process is measured using water sold over total water production.

# SUSTAINABILITY REPORT

## SUSTAINABLE SOURCING

GRI 2-23, 2-24, 2-25, 3-3, 308

### Supplier Environmental Assessment

In alignment with our commitment to sustainability, we have adopted sustainable and responsible supply chain management. We evaluate our suppliers' environmental practices and performance to ensure they align with our sustainability goals. By conducting the assessment, we can make informed decisions about our suppliers, promote environmentally responsible practices throughout our supply chain and contribute to a more sustainable and resilient business ecosystem.

The table below shows the percentage of new suppliers screened using environmental criteria for this year:

Performance metric	2023	2022
Percentage of new suppliers subjected to screening using environmental criteria	<b>4.6%</b>	11.5%

## PEOPLE AND COMMUNITY

### HUMAN CAPITAL AND DIVERSITY

GRI 2-7, 2-8, 2-23, 2-24, 2-25, 3-3, 401-1, 405-1

The Group acknowledges the crucial role of establishing a skilled and inspired workforce in sustaining our ongoing success. We are dedicated to attracting, developing and retaining employees who are deeply committed to advancing our mission. Simultaneously, we are focused on fostering an organisational culture and workplace that emphasises diversity, equality, safety and meritocracy. To realise these objectives, we consistently maintain equitable employment practices, offer learning and development opportunities and endeavour to establish an atmosphere where every employee is esteemed and encouraged.

Furthermore, we firmly believe fostering a diverse workforce enhances innovation, creativity, and productivity. To achieve this objective, we actively work to bring in individuals from various backgrounds, ethnicities, age groups and diverse experiences. Our approach to recruiting, developing, and advancing employees is based on merit, emphasising their performance and accomplishments.

We are committed to establishing fair employment practices by implementing recruitment policies and procedures that are unbiased and inclusive. We review and evaluate these measures to ensure the company adheres to these values. We are also committed to creating a collaborative work environment and organising inclusive engagement events that promote positive interactions and relationships among our employees. We continue cultivating an environment where every employee is treated fairly and acknowledged for their valuable contributions to our business.

### Performance

#### Screening of new suppliers using environmental criteria

FY2023 Target : Due to the inclusion of the Property Development and Corporate segment in 2023, it is not feasible to establish a direct baseline comparison with the preceding year, FY2022. As such, no target has been set for FY2023.

FY2023 Achievement : 4.6%

FY2024 Target : Target set as =>5%

## SUSTAINABILITY REPORT

The following table shows the breakdown of number of employees, new hires and turnover by various diversity categories in 2023:

Demographic		Total number of employees <sup>9</sup>		Total number of new hires		Total turnover	
		Number	%	Number	%	Number	%
<b>Overall</b>		<b>1,933</b>	<b>100</b>	<b>261</b>	<b>100</b>	<b>200</b>	<b>100</b>
By Gender	Female	299	15	56	21	58	29
	Male	1,634	85	205	79	142	71
By Region	Singapore	88	5	12	5	13	6
	Indonesia	1,845	95	249	95	187	94
By Age Group	< 25	252	13	95	36	30	15
	26 – 35	498	26	107	41	72	36
	36 – 45	469	24	34	13	20	10
	> 46	714	37	25	10	78	39

The table below captures our employee new hire and turnover performance for this reporting year:

Performance metric	2023	2022
New hire rate	<b>13.5%</b>	18.6%
Turnover rate	<b>10.3%</b>	23.6%

### Performance

We do not set a target for the new hire rate as any increase or decrease can be attributed to various factors, such as business growth, replacement hire, strategic initiatives, attrition rate and technology adoption.

Turnover rate	
FY2023 Target	: <20%
FY2023 Achievement	: 13.5%
FY2024 Target	: Continue to maintain <20%

<sup>9</sup> Employee data relates to permanent and contract employees of GV and its subsidiaries. Note that the increase significant increase in number of employees from 1,112 in the prior reporting period is partially due to the inclusion of Property Development and Corporate segments in employee data this year.

# SUSTAINABILITY REPORT

## Board Diversity

GRI 405-1

We recognise that board diversity is essential for businesses to navigate the complexities of a rapidly evolving business landscape successfully. It also lends importance to fostering an inclusive culture across the company. We aim to have a diverse board to ensure a wealth of perspectives, expertise and experience in decision-making processes.

The table below shows the breakdown of the diversity of our Board members for this reporting year:

Demographic	2023		2022	
	Number	%	Number	%
<b>Overall</b>	<b>8</b>	<b>100</b>	8	100
By Gender	Female	<b>0</b>	0	0
	Male	<b>8</b>	8	100
By Region	Singapore	<b>7</b>	7	88
	Indonesia	<b>1</b>	1	12
By Age Group	< 50	<b>1</b>	1	12
	51 – 60	<b>1</b>	1	13
	> 60	<b>6</b>	6	75

## Performance

### Gender

FY2023 Target : 1 female director by 2027

FY2023 Achievement : We are sourcing suitable candidates with relevant knowledge and experience for the Board renewal.

FY2024 Target : 1 female director by 2027

### Age Group

FY2023 Target : 1 more director below the age of 60 by 2027

FY2023 Achievement : We are sourcing suitable candidates with relevant knowledge and experience for the Board renewal.

FY2024 Target : 1 more director below the age of 60 by 2027



# SUSTAINABILITY REPORT

## TRAINING AND EDUCATION

GRI 404-1

The Group fosters a culture of continuous learning, placing high importance on the professional development of our employees. We achieve this by offering resources and training opportunities, empowering our workforce to grow and thrive. We recognise the importance of this in developing exceptional talent and enhancing our ability to meet business objectives.

We measure the uptake of our training programs by tracking the annual recorded training hours for all employees. We are committed to delivering continuous feedback and coaching to empower our employees to attain their personal and professional objectives. This approach plays an important role in GV's commitment to fostering the growth and development of our workforce, ultimately contributing to a more skilled and engaged team.

We also conduct annual performance assessments to evaluate our employees' strengths and areas for improvement. This process lets us pinpoint specific development requirements and design tailored training programs to support career advancement.

Some of the training attended by our employees in 2023 include in-house first aid training, fire safety training, occupational safety and health training; professional development training such as becoming an effective communicator and coach; compliance training such as ISO training; Lean Six Sigma; digital marketing, and technical and skill training such as lift operator course, wastewater operation and port expert training.

The table below captures our employee training performance for this reporting year:

Performance metric	2023	2022
Total training hours	<b>15,543</b>	14,452
Total number of employees	<b>1,933<sup>10</sup></b>	1,112
Average training hours per employee	<b>8.0</b>	13.0
<b>Breakdown by gender (average training hours)</b>		
Female	<b>9.9</b>	6.5
Male	<b>7.7</b>	14.4
<b>Breakdown by employee category (average training hours)</b>		
Managerial	<b>10.5</b>	13.5
Executive	<b>12.1</b>	8.7
Non-executive	<b>6.7</b>	13.8

<sup>10</sup> Note that the significant increase in number of employees is partially due to the inclusion of Property Development and Corporate segments in employee data this year.

<sup>11</sup> While our employees in the property development segment receive on-the-job training, there is no formal recording of the training hours. The management is looking to formalise the recording system to achieve a more accurate representation of the training hours received by each employee.

## Performance

### Average training hours per employee

FY2023 Target : 15 hours per employee

FY2023 Achievement : 8.0 hours per employee (We could not achieve the target this year due to the inclusion of employee data from the Property Development<sup>11</sup> and Corporate segments. We will strive to meet the target in the next reporting period)

FY2024 Target : 15 hours per employee

## HEALTH AND SAFETY

GRI 2-23, 2-24, 2-25, 3-3, 403

### Occupational Health and Safety

We are dedicated to cultivating a workplace atmosphere that prioritises the well-being and safety of our employees. We provide the necessary medical and health assessments before and during employment to ensure employees are physically capable of fulfilling their role requirements and monitor any health effects related to the workplace. We prioritise our employees' health by offering convenient access to health screenings through third-party providers and providing comprehensive insurance coverage for their well-being.

In our industrial parks and resorts, the safety of our stakeholders, including employees, tenants, contractors, visitors, and the local community, is our top priority. We aim for zero accidents and injuries both within our workplace and across our sites. This involves strict adherence to relevant health and safety regulations and ongoing efforts to enhance our health and safety programs and performance.

Our Health and Safety policies act as a guide for employees to uphold a secure work environment. All employees must undergo training on safety aspects, and we consistently assess our Workplace Health and Safety ("WHS") systems to ensure effectiveness.

When contractors are hired to perform specific tasks or provide services, they must adhere to our WHS policies and procedures and take full responsibility for the safety and protection of their workers while on our sites.

# SUSTAINABILITY REPORT

The table below shows metrics for both employees and non-employees whose work is controlled by GV for this reporting year:

Performance metric (Employee)	2023	2022
<b>Work-related injury</b>		
Total number	7	5
Rate per 200,000 hours worked	0.34	0.47
Number of hours worked	4,082,496	2,135,040
Main types of work-related injury	Striking against metal objects, exposure to dust and traffic accidents	Cuts by industrial machines and metal objects and exposure to dust
<b>Work-related ill health</b>		
Total number	0	0
Rate per 200,000 hours worked	0	0
<b>Performance metric (Non-employee)</b>		
<b>Work-related injury</b>		
Total number	6	1
Rate per 200,000 hours worked	0.41	0.08
Number of hours worked	2,961,504	2,645,280
Main types of work-related injury	Traffic accidents, slips and falls, fire and bee stings	Cuts by metal objects
<b>Work-related ill health</b>		
Total number	0	0
Rate per 200,000 hours worked	0	0

## Performance

### Performance metric (Employee and Non-Employee)

FY2023 Target : Rate per 200,000 hours worked <1.0

FY2023 Achievement : Employee (0.34); Non-Employee (0.41)

FY2024 Target : Continue to maintain <1.0

## Hazard Identification, Risk Assessment and Incident Investigation

Risk management plays a crucial role in our organisational operations. Our procedures for handling risks cover identifying hazards, risk assessment, and implementation of control measures. Our approach involves three key steps:

1. Identify hazards affecting organisational performance
2. Evaluate potential risks to employee health and safety
3. Establish adequate controls to mitigate these risks

As part of our risk management process, we conduct assessments to evaluate hazards associated with our activities and services, considering their severity and likelihood of occurrence, as our activities and services carry risks that affect employees, visitors, and contractors. Please refer to our risk management process on page 36 of this report.

We take a proactive stance on risk management, with our staff actively participating in the process. Employees are required to submit incident reports on work-related injuries to their supervisors promptly, including details such as the incident description, location and mitigation measures so that the hazard can be further investigated. Employees are encouraged to report any potential hazards to management without apprehension of reprisal. For those work-related injuries reported, the management takes appropriate action to prevent such incidents happening again.

We empower employees to stop or pause any ongoing activities if they perceive the equipment, machinery, personnel, or work conditions as unsafe or non-compliant with relevant rules, regulations or procedures to prevent accidents, injuries or damage.

# SUSTAINABILITY REPORT

## Employee Participation, Consultation, Training and Communication on OHS

We place a strong emphasis on promoting effective consultation and communication at all levels, aiming to create a workplace that is not only safe and healthy but also enjoyable with a positive cultural environment. We believe that actively engaging employees and contractors can improve safety awareness and enhance our safety culture.

As part of our ongoing effort to enhance worker consultation and communications, Safety Fieldmen, Safety Supervisors, and Safety Coordinators are selected within peer groups to conduct on-site safety meetings and engage in activities such as procedure reviews, risk assessments, workplace inspections, and other health and safety functions. We ensure the selected employees have the competency levels, skills, and experience to assume the roles and are required to undergo suitable training.

In 2023, we actively participated in several programs on community engagement, education, and environmental conservation, as outlined below:

### COMMUNITY



#### Donation to Local Orphanage

Social donations in the form of food packages were given to Yayasan Hidayatullah.

## COMMUNITY-BASED EMPOWERMENT

GRI 2-23, 2-24, 2-25, 3-3, 413

### Local Community Initiatives and Engagements

We are dedicated to fostering enduring social, economic, and environmental advantages for the communities in our operational areas. We believe in aligning business growth with the social progress of the communities in Batam and Bintan islands, where we primarily operate. Consequently, community development initiatives are essential to our business strategy, focusing on enhancing social and environmental standards in these regions.

In line with our ongoing commitment to enhancing corporate social responsibility (“CSR”) programmes, we continue to engage with charities or organisations in our operational areas, collaborating closely with the community to identify and prioritise CSR programmes annually. This commitment is evident through our active involvement in various community development projects, particularly those addressing education, environment and health, which have garnered positive feedback from local communities.



#### BPJS Funding for Local Fishermen

Stimulus of BPJS (social security) funding supplied to 66 local fishermen located at Desa Seborg Lagoi and Desa Seborg Perih.

# SUSTAINABILITY REPORT



## Assisting Underprivileged Communities

Basic food assistance is provided to underprivileged communities in Teluk Sasah village.



## Micro Small Medium Enterprise (MSME) Welding Development

Internship programs and welding equipment offered to selected local communities.



## Community BPJS Health Program

MoU signed ceremony between PT BIIE, BPJS Health and Tenants (PT. Bionesa Organic Foods, PT. Singat�ac Bintan, PT. BOMC, PT. Esco Bintan Indonesia) for CSR funding health insurance to assist 210 people around Lobam industrial area.



# SUSTAINABILITY REPORT

## EDUCATION



### Garuda Muda Camp

The training program for high school students involved 60 students from 7 Senior High schools around Teluk Sebong, Bintan Utara dan Sri Kuala Lobam.



### Scholarship Inti Cakrawala Program

Scholarships for higher education were provided to 112 local communities to fill professional tourism needs.



### Beasiswa Cakrawala

Scholarship programs are granted to local students in Bintan who want to pursue higher education in Indonesia. This year, Bintan Resorts sponsored 48 students at Bintan Cakrawala Polytechnic, 16 at the Sahid Bintan Tourism Institute, and 9 at undergraduate programs in various departments at local university.



### Kasih Sayang II

An annual program involving elementary school to senior secondary students with the primary objective of exposing students to hospitality-related careers in Bintan Resorts. We aim to generate interest among these students in selecting hospitality as their higher education major, thus introducing fresh talents in the industry.

# SUSTAINABILITY REPORT



## Community Capacity Building Program

Scholarship Welding Inspector for teachers (13 pax) to increase their welding inspection competence.

## ENVIRONMENT



## BIIE Beach Cleaning Program

To celebrate National Transportation Day (Harhubnas), PT Bintan Inti Industrial Estate (BIIE) organised a beach cleaning program. This program aimed to engage employees in environmental awareness by cleaning up the shoreline on Bintan Island to protect the environment.



## Mangrove Rejuvination Activity

BIIE collaborated with the Indonesian Navy to plant mangroves in Kuala Sempang, a coastal village in the Bintan Regency with the largest mangrove ecosystem.



# SUSTAINABILITY REPORT



## Bintan Resorts Green Initiative Program

Bintan Resort Cakrawala (BRC) carried out an education programme to raise awareness at 7 high schools and vocational schools in Bintan on environmental protection initiatives surrounding construction sites in Bintan Resort. The program involved replanting around 3,100 mangrove seedlings and 150 fruit trees.



## Seagrass Restoration at Trikora Beach

BIIE and BRC organised a seagrass planting initiative together with PBC-SBTI scholarship students. Seagrass marine ecosystems are important environments situated throughout the world's coastlines, reducing the energy of ocean waves, slowing down the water flow and causing sediments to accumulate. The collaborative effort resulted in 1,000 seagrasses planted in the Trikora Bintan seagrass conservation area.



## Monthly Environment Day

This year, the Group organised a monthly Environment Day in the middle of each month to encourage awareness and action for environmental protection. The campaign aimed to raise awareness among employees to take the initiative to clean up and maintain Bintan Island.

# SUSTAINABILITY REPORT

## APPENDIX

### TCFD DISCLOSURES

We support the Task Force on Climate-related Financial Disclosures (“TCFD”) and include the TCFD Recommendations in SGX’s Sustainability Reporting Guide. This is our second year of providing TCFD Disclosures. Climate reporting has since become mandatory for the energy industry, as it has been identified to be one of the industries most affected by climate change and the transition to a low-carbon economy.

The table below describes how we manage climate-related risks and opportunities with reference to the four key pillars recommended by TCFD:

Recommended Disclosure	GV's Approach	Page Reference
<b>Governance</b>		
<ul style="list-style-type: none"> <li>Describe the board’s oversight of climate-related risks and opportunities.</li> <li>Describe the management’s role in assessing and managing climate-related risks and opportunities.</li> </ul>	<p>The Group has an established governance structure for sustainability-related issues involving the Board, the Sustainability Reporting Committee, and the management team.</p> <p>The Chief Financial Officer chairs the Committee, comprised of senior management representatives from respective business departments. The Committee oversees the Group’s sustainability performance and initiatives by evaluating material ESG topics. It provides progress updates and recommendations to the Board on the Group’s overall sustainability performance.</p> <p>The Management also champions sustainability-related initiatives and develops risk management processes for managing and monitoring sustainability-related projects.</p>	36
<b>Strategy</b>		
<ul style="list-style-type: none"> <li>Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.</li> <li>Describe the impact of climate-related risks and opportunities on the organisation’s businesses, strategy, and financial planning.</li> <li>Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario</li> </ul>	<p>This year, the Group has completed a formal qualitative scenario analysis to identify climate-related risks and opportunities over the short, medium and long term.</p> <p>Management was involved in the selection of scenario factors and the development of business response plans based on the results of the analysis.</p> <p>The analysis has been pivotal in guiding our decision-making process regarding advancing business strategy resilient to a future significantly shaped by climate change and the associated risks and opportunities, preparing to counter potential exposures resulting from the changing business and environmental landscape.</p> <p>One example of our latest developments is installing a solar photovoltaic (“PV”) system with a 7.4 MWp capacity on the factory rooftop of our Batamindo Industrial Park, which provides approximately 8.8 million kWh annually. This is slated to be ready in 3Q 2024 and is part of a series of solar PV systems set up in several of our operating locations over the next few years as we transition to renewable energy to provide green energy to tenants of our industrial parks.</p> <p>More details can be found in the section on Scenario Analysis Outcomes.</p>	57



# SUSTAINABILITY REPORT

Recommended Disclosure	GV's Approach	Page Reference
<b>Risk Management</b>		
<ul style="list-style-type: none"> <li>Describe the organisation's processes for identifying and assessing climate-related risks.</li> </ul>	<p>We have a risk management process to identify, assess and manage risks across our business operations. We have established a Risk Management Framework at the enterprise level, including our governance structure for risk management, risk appetite and tolerance levels, management approach and risk factors.</p>	36
<ul style="list-style-type: none"> <li>Describe the organisation's processes for managing climate-related risks.</li> </ul>	<p>We maintain a group-level risk register that is updated quarterly to assess, monitor, and address identified risks and ensure they are managed adequately.</p>	
<ul style="list-style-type: none"> <li>Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.</li> </ul>	<p>Short-term risks are addressed and managed by respective line managers affected by the risk exposure as part of their day-to-day business and decision-making processes. Medium- and long-term risks and significant risk exposures are raised to the ARMC during semi-annual meetings or promptly as needed.</p> <p>Climate risk assessment is incorporated into our risk management framework, ensuring alignment with our risk register, planned actions, and annual business strategy planning. Our strategy and day-to-day operations systematically identify, assess, and manage climate-related risks.</p>	
<b>Metrics and Targets</b>		
<ul style="list-style-type: none"> <li>Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.</li> </ul>	<p>We have consistently disclosed metrics, such as Scope 1 and 2 GHG emissions and energy and water consumption, in our sustainability reports to monitor our sustainability impacts and assess potential risks and opportunities. We are looking into incorporating several Scope 3 GHG emission categories into our subsequent reports.</p>	43
<ul style="list-style-type: none"> <li>Disclose Scope 1, 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.</li> </ul>	<p>We have established climate-related targets in our commitment to combat climate change and fostering sustainability.</p>	
<ul style="list-style-type: none"> <li>Describe the organisation's targets to manage climate-related risks, opportunities, and performance against targets.</li> </ul>	<p>We aim to closely monitor our progress towards each target and undertake any required initiatives to achieve our objectives.</p>	

# SUSTAINABILITY REPORT

## Scenario Analysis Outcomes

Scenario analysis is a process of examining and evaluating possible events or scenarios that could occur in the future and predicting possible outcomes, leading to greater preparedness and resilience of long-term business strategy.

We conducted a qualitative analysis of potential risks and business impacts to GV to inform response planning and decision-making that would be useful if such risks were to materialise, thereby preparing for risk mitigation or acting on opportunities for competitive advantages in the future.

The scope of analysis included assets and operations in Singapore and Indonesia (Batam and Bintan), with timeframes of up until 2030 (short-term), 2030 to 2040 (medium-term) and 2040 to 2050 (long-term) in alignment with national climate targets and GV's strategic planning horizons.

The publicly available Representative Concentration Pathways (“RCP”) and Shared Socioeconomic Pathways (“SSP”) referenced by the Intergovernmental Panel on Climate Change (“IPCC”) were utilised as a starting point for relevant factors considered in our 2°C and 4°C scenarios, supported by regional research especially when identifying transition risks to more accurately described scenarios that GV may experience in the future. For the 2°C scenario, RCP2.6 and SSP1-2.6 were used. For the 4°C scenario, RCP8.5 and SSP5-8.5 were used.

The table below shows the results of our analysis for both physical and transition risks, which are used to inform decision-making.

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Physical Risks</b>			
1. Extreme weather events (cyclones, flash floods)	Damage to properties and natural environment, affecting the operability of GV's industrial park properties, utilities-related facilities, resort properties and ferries.	Medium to long-term risk	<ul style="list-style-type: none"> <li>Upgraded development guidelines to consider potential risks such as increasing sea levels and flash floods.</li> <li>Infrastructure upgrade: Assess the resilience of existing infrastructure and facilities and identify any necessary upgrades to enhance their ability to withstand extreme weather in the future. This may include improvements to coastal protections, increased wetland area for buffering, enhanced building structures, utility systems, and landscaping.</li> <li>Coordinate closely with local authorities and regulatory agencies to ensure compliance with applicable regulations and access any available assistance or resources when such events occur.</li> </ul>
2. Rising sea levels	Infrastructure and physical assets situated at coastal locations would be subject to significant damage or be unable to house operations.	Long-term risk	

# SUSTAINABILITY REPORT

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Physical Risks</b>			
			<ul style="list-style-type: none"> <li>Continuity Planning: Develop a continuity plan to minimise the impact of the damage on ongoing operations if such events occur. This may include temporary relocation of operations, alternative supply chain arrangements, and contingency plans for utilities and infrastructure.</li> <li>Implement measures to mitigate environmental risks and damage. Please also refer to the rest of the section on our response plan for the transition to renewable energy to reduce emissions.</li> </ul>
<p>3. Extreme temperature rise</p>	<p>Increased temperature may result in discomfort to tenants and employees and reduce their productivity. It would also affect the attractiveness of resorts as a travel destination and may lead to health risks. Energy costs for cooling will also rise.</p>	<p>Medium to long-term risk</p>	<ul style="list-style-type: none"> <li>Implement measures to mitigate environmental risks and damage. Please also refer to the rest of the section on our response plan for transitioning to renewable energy to reduce global warming.</li> <li>Offer flexible work hours or remote work options to allow employees to adjust their schedules in extreme heat. For employees working outdoors, implement workplace safety protocol to schedule work tasks during cooler times of the day, provide adequate shade and rest breaks, and rotate job assignments to minimise prolonged exposure to heat.</li> <li>Operationally, smart systems (such as auto lights and smart switches) are adapted to manage energy use.</li> <li>Solar panels are installed on the rooftops of factories which indirectly reduces the temperature of the buildings. This will also lead to reduced energy consumption for cooling.</li> </ul>

# SUSTAINABILITY REPORT

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Transition Risks</b>			
1. Tenant preferences	As tenants from resorts, hotels and industrial parks become more conscious of their carbon footprints, they increasingly request more sustainable features and services.	Short-term risk	<ul style="list-style-type: none"> <li>Transition to renewable energy and GV plans to provide renewable energy (solar) to its tenants in the industrial parks and resort to reduce their carbon footprint through the following action plans:               <ul style="list-style-type: none"> <li>(i) Batamindo Industrial Park ("BIP")                   <ul style="list-style-type: none"> <li><u>Initial Phase</u></li> <li>Solar systems with a capacity of approximately 7.4 MWp on the factory rooftop will be installed to provide approximately 8.8 mil kWh p.a. This is approximately 2% of the total production. It is expected to commence operation in 3Q 2024.</li> <li><u>Phase 2</u></li> <li>To install a solar system with a capacity of approximately 15.5 MWp (Ground mount) to provide approximately 20.5 mil kWh p.a. GV is currently conducting a feasibility study, and the installation is targeted to be completed in 2H 2025.</li> <li><u>Phase 3</u></li> <li>To install a solar system with a capacity of approximately 43.2 MWp (rooftop) to provide approximately 56.5 mil kWh p.a. GV is currently conducting a feasibility study, and the installation is targeted to be completed in 2H 2026.</li> </ul> </li> </ul> </li> </ul>

# SUSTAINABILITY REPORT

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Transition Risks</b>			
			<p data-bbox="1045 510 1133 544"><u>Phase 4</u></p> <p data-bbox="1045 577 1442 801">To install a solar system with a capacity of approximately 73.9 MWp (reservoir) to provide approximately 96.9 mil kWh p.a. GV is currently conducting a feasibility study, and the installation is targeted to be completed in 1H 2028.</p> <p data-bbox="1008 835 1364 869">(ii) Bintan Industrial Estate (“BIE”)</p> <p data-bbox="1045 902 1442 1081">To install a ground mount solar system with a capacity of approximately 4.0 MWp to provide approximately 6.5 mil kWh p.a. Installation is targeted to be completed in 2H 2025.</p> <p data-bbox="1008 1126 1273 1160">(iii) Bintan Resorts (“BR”)</p> <p data-bbox="1045 1193 1442 1339">To install a floating solar system with a capacity of approximately 10 MW to provide approximately 13.3 mil kWh p.a. Installation is targeted to be completed by 1Q 2025.</p> <ul data-bbox="973 1373 1442 1500" style="list-style-type: none"> <li>• The above is also GV’s response plan to mitigate the impact of increased energy sources for generating power and reducing GHG emissions.</li> </ul>



# SUSTAINABILITY REPORT

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Transition Risks</b>			
2. Increased pricing of GHG emissions	The increase in carbon tax in different jurisdictions where GV operates may lead to increased costs for energy consumption, as power generators will pass on increased costs to consumers.	Short-term risk	<p>Note: GV is a power supplier for its tenants in industrial parks and resorts. The response plan to mitigate the increase in energy cost has been addressed in item 4.</p> <p>Our response plan for this item refers to a reduction in the consumption of energy used in offices and workplaces.</p> <ul style="list-style-type: none"> <li>• Assessing and monitoring carbon pricing and regulatory requirements within each of our operational jurisdictions, in parallel with our energy and emission reduction efforts.</li> <li>• Energy efficiency: Invest in energy-efficient appliances, vehicles, and machinery to reduce energy consumption. This includes: <ul style="list-style-type: none"> <li>(i) Install solar lights, light motion sensors and energy-efficient lighting such as LED;</li> <li>(ii) Use energy-efficient machinery such as buggy, chiller, lift;</li> <li>(iii) Reduce operating hours at certain facilities;</li> <li>(iv) Switching off electrical devices when not in use; and</li> <li>(v) Replace conventional vehicles with Electric Vehicle ("EV")</li> </ul> </li> </ul>

# SUSTAINABILITY REPORT

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Transition Risks</b>			
3. Increased ESG reporting requirements	As regulators continue to develop more comprehensive reporting standards, there will be a greater need for robust data collection mechanisms and reporting capabilities to meet increased reporting obligations. As a listed company, GV would be subject to such standards and be exposed to reputational risks if it cannot meet such expectations.	Short-term risk	<ul style="list-style-type: none"> <li>• Provide staff training in ESG reporting to enhance their understanding of ESG issues, data collection methods, and reporting requirements.</li> <li>• Continue with ongoing review and improvement of ESG reporting practices. Monitor changes in regulatory requirements, stakeholder expectations, and industry best practices.</li> <li>• Engage with stakeholders, including shareholders, customers, employees, suppliers, and communities, to understand their ESG priorities and reporting expectations to improve reporting.</li> </ul>
4. Increased energy and fuel prices	Higher energy and fuel costs would increase operational costs, especially for GV's utility segment, impacting overall profitability.	Medium to long-term risk	<ul style="list-style-type: none"> <li>• Investment in power plants' infrastructure such as upgrading transmission and distribution control systems to improve efficiency, reliability, and resilience.</li> <li>• Transition to renewable energy and low-emission energy sources such as natural gas to reduce reliance on fossil fuel and mitigate the impact of fluctuating fuel prices.</li> <li>• Diversifying energy sources by incorporating a mix of renewables, natural gas, and power supply from IPP.</li> </ul>

# SUSTAINABILITY REPORT

Risk	Business Impact	Risk Timeframe	Response Plan
<b>Transition Risks</b>			
5. Decreased property valuations	Properties that do not satisfy more stringent ESG demands in the long term would experience a devaluation due to unattractiveness to tenants and investors.	Long-term risk	<ul style="list-style-type: none"> <li>We utilise the valuation that we have conducted to assess the potential impact of climate change on our property's value and financial performance.</li> <li>Implement measures to mitigate environmental risks and improve sustainability performance. By reducing environmental impacts, we can enhance our property's long-term value and attractiveness to investors.</li> </ul> <p>For example, as the master-planned developer of the Bintan Resort, we partnered with Fundacion Metropoli in research, planning, and territorial design efforts to define a new and integrated vision for the development of Bintan (Bintan Project) for the next decade. This project emphasises environmental protection and rehabilitation, sustainable urban development, green mobility, economic magnetism, social integration, and innovation.</p>
6. Greater liability risk	There is a higher risk of being held liable to tenants in the event of property damage if inadequate preparations are made to increase resiliency to physical risks.	Long-term risk	<ul style="list-style-type: none"> <li>Risk Assessment and Planning: Conduct a risk assessment to identify potential physical risks to the property, such as floods and tsunamis, and develop mitigation strategies and response protocols for the identified risk.</li> <li>Invest in resilient infrastructure: Invest in resilient building design and infrastructure to minimise the impact of physical risks on the property. This may involve retrofitting the property to meet building code requirements for seismic or flood resilience, installing fire suppression systems, and reinforcing structural elements to withstand extreme weather events.</li> <li>Review and revise emergency preparedness plans, maintenance protocols, and insurance coverage to ensure they remain effective and relevant over time.</li> </ul>

# SUSTAINABILITY REPORT

## GRI CONTENT INDEX

<b>Statement of use</b>	Gallant Venture Ltd. has reported in accordance with GRI Standards for the period from 1 January 2023 to 31 December 2023.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference	Page No.
<b>General Disclosures</b>			
<b>GRI 2: General Disclosures 2021</b>	<b>Organisation and its reporting practices</b>		
	2-1	Organisational details	Sustainability report 35
	2-2	Entities included in the Organisation's sustainability reporting	Sustainability report 34
	2-3	Reporting period, frequency and contact point	Sustainability report 34
	2-4	Restatements of information	Sustainability report 34
	2-5	External assurance	Sustainability report 34
	<b>Activities and workers</b>		
	2-6	Activities, value chain and other business relationships	Annual report 01 to 06
	2-7	Employees	Sustainability report 45
	2-8	Workers who are not employees	Sustainability report 46
	<b>Governance</b>		
	2-9	Governance structure and composition	Sustainability report 36 Annual report 68 to 72
	2-10	Nomination and selection of the highest governance body	Annual report 68 to 72
	2-11	Chair of the highest governance body	Annual report 68 to 72
	2-12	Role of the highest governance body in overseeing the management of impacts	Annual report 68 to 72
	2-13	Delegation of responsibility for managing impacts	Annual report 68 to 72
	2-14	Role of the highest governance body in sustainability reporting	Sustainability report 36
	2-15	Conflicts of interest	Annual report 68 to 72
	2-16	Communication of critical concerns	Annual report 82
	2-17	The collective knowledge of the highest governance body	Annual report 77
	2-18	Evaluation of the performance of the highest governance body	Annual report 77
	2-19	Remuneration policies	Annual report 77 to 81
	2-20	The process to determine the remuneration	Annual report 77 to 81
	2-21	Annual total compensation ratio	Annual report 77 to 81
	<b>Strategy, policies and practices</b>		
	2-22	Statement on Sustainable Development Strategy	Sustainability report 33
	2-23	Policy commitments	Sustainability report 42
	2-24	Embedding policy commitments	Sustainability report 42
	2-25	Processes to remediate negative impacts	Sustainability report 42
	2-26	Mechanisms for seeking advice and raising concerns	Sustainability report 42
2-27	Compliance with laws and regulations	Sustainability report 42	
2-28	Membership associations	Sustainability report 35	
<b>Stakeholder engagement</b>			
2-29	Approach to Stakeholder Engagement	Sustainability report 37	
2-30	Collective bargaining agreements	No collective bargaining agreements N.A	

# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Reference	Page No.
<b>General Disclosures</b>			
<b>Material topics</b>			
<b>GRI 3: Material Topics 2021</b>	3-1	The process of determining material topics	Sustainability report 38
	3-2	List of material topics	Sustainability report 39
<b>Economic Sustainability</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 41
<b>GRI 201: Economic Performance 2016</b>	201-1	Direct economic value generated and distributed	Sustainability report 41
<b>Anti-corruption</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 42
<b>GRI 205: Anti-corruption 2016</b>	205-2	Communication and training about anti-corruption policies and procedures	Sustainability report 42
<b>Eco-efficient Operations</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 42 to 44
<b>GRI 302: Energy 2016</b>	302-1	Energy consumption within the organisation	Sustainability report 43
	302-3	Energy intensity	Sustainability report 43
<b>GRI 305: Emissions 2016</b>	305-1	Direct (Scope 1) GHG emissions	Sustainability report 43
	305-2	Energy indirect (Scope 2) GHG emissions	Sustainability report 43
	305-4	GHG emissions intensity	Sustainability report 43
<b>Sustainable Sourcing</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 45
<b>GRI 308: Supplier Environmental Assessment 2016</b>	308-1	New suppliers that were screened using environmental criteria	Sustainability report 45
<b>Human Capital</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 45 to 48
<b>GRI 401: Employment 2016</b>	401-1	New employee hires and employee turnover	Sustainability report 46
<b>GRI 404: Training and Education 2016</b>	404-1	Average hours of training per year per employee	Sustainability report 48
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1	Diversity of governance bodies and employees	Sustainability report 45 to 47
<b>Health and Safety</b>			
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 48



# SUSTAINABILITY REPORT

GRI Standard	Disclosure	Reference	Page No.
<b>General Disclosures</b>			
<b>Material topics</b>			
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1	Occupational health and safety management system	Sustainability report 48 to 49
	403-2	Hazard identification, risk assessment and incident investigation	Sustainability report 49
	403-3	Occupational health services	Sustainability report 49
	403-4	Worker participation, consultation and communication on occupational health and safety	Sustainability report 49
	403-5	Worker training on occupational health and safety	Sustainability report 48
	403-6	Promotion of worker health	Sustainability report 48
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability report 49 to 50
	403-9	Work-related injuries	Sustainability report 49
	403-10	Work-related ill health	Sustainability report 49
	<b>Community-based Empowerment</b>		
<b>GRI 3: Material Topics 2021</b>	3-3	Management of material topics	Sustainability report 50 to 54
<b>GRI 413: Local Communities 2016</b>	413-1	Operations with local community engagement, impact assessments, and development programs	Sustainability report 50 to 54



# CORPORATE GOVERNANCE REPORT

The Board of Directors (the “**Board**”) is committed in ensuring that the highest standards of corporate governance are practiced throughout Gallant Venture Ltd. (the “**Company**”) and its subsidiaries (the “**Group**”) as a fundamental part of its responsibilities to protect and enhance shareholder value and the financial performance of the Group.

This report describe the Company’s corporate governance practices and structures that were in place during the financial year ended 31 December 2023 (“**FY2023**”), with specific reference to the principles and provisions of the Code of Corporate Governance 2018 (“**Code**”). The Company has adhered to the principles and provisions of the Code and where the Company’s practices differ from the principles and provision under the Code, the Company’s position and reasons in respect of the same are explained in this report.

## (A) BOARD MATTERS

### PRINCIPLE 1: THE BOARD’S CONDUCT OF AFFAIRS

*The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.*

#### **Provision 1.1 (Board’s role)**

The primary role of the Board is to protect and enhance long-term shareholders’ value. It sets the corporate strategies of the Group and ensures that the necessary financial and human resources are in place for the Company to meet its objectives. The Board establishes a framework of prudent and effective controls which enables risks to be assessed and managed, including safeguarding shareholders’ interests and the Company’s assets, supervises the Management and monitors the performance of these goals to enhance shareholders’ value. The Board is responsible for the overall corporate governance of the Group and considers sustainability issues of policies and procedures.

#### **Provision 1.2 (Board’s duties and responsibilities)**

The Board exercises due diligence and independent judgment in dealing with the business affairs of the Group and works with the Management to take objective decisions as fiduciaries in the interest of the Group. The Board puts in place a code of conduct and ethics, sets appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the Company. Directors who are in a conflict-of-interest position on certain issues recuse themselves from discussions and decisions involving the issues.

The principal responsibilities of the Board include the following:

- To provide leadership, set strategic objectives which include a focus on value creation, innovation and sustainability;
- Review and approve the Group’s strategic plans, key business initiatives, major investments, divestments, corporate restructuring and major funding decisions;
- Review the Group’s financial performance and condition;
- Establish and maintain a framework of prudent and effective controls to identify, manage and monitor risks and exposures, and to achieve an appropriate balance between risk and the Group’s performance;
- Oversee the Group’s sustainability matters and initiatives;
- Oversee the Group’s corporate governance and instil an ethical corporate culture across the Group to ensure that the Group’s values, policies and practices are consistent with the culture; and
- Ensure transparency and accountability to key stakeholder groups.

# CORPORATE GOVERNANCE REPORT

## Orientation, training and development for directors

Newly appointed Directors to the Board will be issued formal letter, setting out their general duties and obligations as a Director. The new Directors will be given orientation including briefings to familiarize them with the business activities of the Group, its strategic direction, corporate governance practices and Company's policies and procedures in particular relating to interests in securities and price sensitive and trade sensitive information. The orientation also includes meetings with key management executives of the Management to allow the new Directors to be acquainted with the Management and to facilitate their independent access to the Management and the Company Secretary in future. For a first time Director who has no prior experience as a director of a listed company, he or she will be required to undergo training such as those conducted by Singapore Institute of Directors ("SID") to acquire relevant knowledge of the roles and responsibilities of a listed company director as prescribed by the SGX-ST.

The NC is charged with reviewing the training and professional development of the directors. All directors are provided with updates and/or briefing from time to time in areas such as directors' duties and responsibilities, corporate governance practices, relevant legislations and regulations and financial reporting standards. The NC will recommend appropriate trainings and seminars and arrange for training by professional bodies as it deems relevant to improve the performance of the individual director and the whole Board. All directors are encouraged to attend the trainings and seminars arranged by the Company at the Company's expense. All directors attended the mandatory sustainability training conducted by SID as prescribed by the SGX-ST. In addition, Directors are at liberty to request for further explanations, briefing or information as and when required.

During the year, the Directors had received updates including information to keep them abreast of issues and developments relevant to the Group's businesses, changes in the relevant legislation and regulations and financial reporting standards. The Chief Executive Officer ("CEO") has also updated the Board at each Board meeting on business and strategic developments and the Management has highlighted the salient operating issues as well as the risk management consideration for the Group's businesses.

## Sustainability

The Board is committed to conduct and manage the Company's business in a sustainable manner and aim to create long-term sustainable value for the stakeholders by integrating sustainability in its business and operations and to advance the Company's sustainability efforts. The Board recognises that sustainability is a critical competitive advantage and is becoming increasingly important for success in the global environment. The Board oversees the Group's sustainability matters and initiatives and the Sustainability Committee ("SR") is responsible for identifying, evaluating, monitoring and managing the Group's material environmental, social and governance ("ESG") and reports to the Board. The Group's sustainability report for FY2023 is set out on pages 31 to 67 in this Annual Report.

## **Provision 1.3 (Board approval)**

The Board has in place an internal guide where certain key matters are specifically reserved for approval by the Board. Management is fully apprised of such matters which require the approval of the Board. Matters that require Board approval include:

- decisions over the strategic direction and policies of the Group and its financial objectives which may have a material impact on the Group's performance;
- matters involving a conflict of interest for a substantial shareholder or a director;
- material acquisition and disposal of assets/business undertakings;

# CORPORATE GOVERNANCE REPORT

- Corporate or financial restructuring;
- Distribution of dividends and other returns to shareholders; and
- any investment or expenditure which requires Board's approval as set out in the Company's authorisation matrix which sets out the financial authority and approval guidelines for capital expenditure, investments, divestments and borrowings.

The matters which are decided and approved by the Board are documented in the minutes of the meetings and board resolutions which are kept with the Company.

## **Provision 1.4 (Delegation by the Board)**

The primary functions of the Board are either carried out by the Board or delegated through the Board Committees with written terms of reference setting out their composition, authority and responsibilities including reporting back to the Board. The Board Committees established by the Board are the Audit and Risk Management Committee ("**ARMC**"), the Nominating Committee ("**NC**") and the Remuneration Committee ("**RC**"). The members of these Committees are set out in the Corporate Directory page 18 of the Annual Report.

Each Committee has clearly defined terms of references and operating procedures, including procedures for dealing with conflicts of interest. A Board Committee member is required to disclose his interest and recuse himself from discussions and decisions involving a conflict of interest. The terms of reference are reviewed on a regular basis. The effectiveness of each Committee is also regularly reviewed by the Board. Please refer to the sections on Principles 4 to 10 in this report for further information on the activities of the ARMC, NC and RC.

## **Provision 1.5 (Meetings of Board and Board Committees)**

Meeting of the Board and its Committees for each new calendar year are set out in a schedule of meetings and notified to all Board members before the start of that calendar year. The Board meets at least twice a year to review, inter alia, the performance and operations of each business segment of the Group, and the Group's financial results. Additional meetings may be convened on an ad-hoc basis as and when necessary. The Company's Constitution allows for the meetings of its Board and the Board Committees to be held via teleconferencing and video-conferencing. The Board and Board Committees may also make decisions by way of circular written resolutions.



# CORPORATE GOVERNANCE REPORT

The attendance of Directors at meetings of the Board and Board Committees as well as the Annual General Meeting (“AGM”) is set out in the table below:

	<b>Board</b>	<b>ARMC</b>	<b>NC</b>	<b>RC</b>	<b>AGM</b>
<b>Number of meetings held in FY2023</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>
<b>Name of Directors</b>	<b>Number of meetings attended in FY2023</b>				
Mr Lim Hock San	2	2	1	1	1
Mr Eugene Cho Park	2	2*	1*	1*	1
Mr Gianto Gunara	2	2*	N/A	N/A	1
Mr Choo Kok Kiong	2	2*	1*	1*	1
Dr Tan Chin Nam	2	2*	N/A	N/A	1
Mr Axton Salim	1	1*	N/A	N/A	1
Mr Foo Ko Hing	2	2	1	1	1
Mr Lim Chee San	2	2	1	1	1

\* Attended the meeting as an invitee

The NC takes into account of the competing time commitments faced by Directors with multiple board representations and other principal commitments when considering the nomination of Directors for election/re-election and ensure that all Directors are able to carry out and have been adequately carrying out their duties as Director of the Company. The Board is of the view that the contribution of each Director should not be focused solely on his attendance at the meetings of the Board, Board Committees and at the AGM. A Director’s contribution also extends beyond the confines of the formal environment of such meetings, through the sharing of experiences, views, advice and networking relationships with could further the interests for the Company.

## **Provision 1.6 (Board’s access to information)**

Prior to each meeting, members of the Board and the Board Committee are provided with meeting agenda and the relevant papers/materials circulated by the Management, containing where possible and practicable, complete, adequate and timely information such as reports on the Group’s operations and financial performances, reports from internal auditors and external auditors, regulatory updates, and/or significant projects/events updates, to enable full deliberation on the issues to be considered at the respective meetings.

Management also provides all Directors with monthly financial reports of the Group’s operation and the financial performance including analysis of the same. Any material variances between the results and year-on-year for the periods under review are explained in the monthly financial reports. Such reports enable the Directors to make a balanced and informed assessment of the Group’s performance, position and prospects, and the Directors are kept abreast of the Group’s business activities. Where the Board’s or Board Committee’s approval is sought, relevant background and explanatory information on the specific matter is provided to enable Directors to understand the issues and to request for further information, as necessary.

# CORPORATE GOVERNANCE REPORT

## **Provision 1.7 (Board's access to Management, Company Secretary and External Advisers)**

The Directors have separate and independent access to the Management, including the CEO, Chief Operating Officer (“**COO**”), Chief Financial Officer (“**CFO**”) and other key management executives and the Company Secretary. The Company Secretary attends all Board and Board Committee meetings and ensures that Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary also advises the Board on all governance matters, as well as assisting with the co-ordination of training and professional development for Board members. The appointment and removal of the Company Secretary is subject to the Board's approval.

The Directors also have access to independent professional advice at the Company's expense, in furtherance of their duties in the event that circumstances warrant the same.

## **PRINCIPLE 2: THE BOARD COMPOSITION AND GUIDANCE**

*The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.*

## **Provision 2.1, 2.2 and 2.3 (Board composition and Independent Directors)**

The Board comprises 8 Directors as at the date of this report, 5 of whom are Non-Executive Directors (“**NEDs**”) (including the Chairman). There are 3 Independent Directors (“**IDs**”), namely Mr Lim Hock San (Chairman of the Board), Mr Foo Ko Hing and Mr Lim Chee San. A majority of the Board comprises (a) NEDs, namely, five out of 8; and (b) IDs, namely, three out of 8 which constitutes more than one-third of the Board.

The independence of each Director is reviewed annually by the NC. In consideration of the independence of each Director, the NC and the Board took into account, amongst others, each independent Director's confirmation of his independence based on the applicable provisions of the SGX-ST Listing Manual and the Code. Under the Listing Manual, a director is not independent if (a) he is or has, in the last three financial years, been employed by the company or any of its related corporations; or (b) he has an immediate family member who is or has, in the last three financial years, been employed by the company or any of its related corporations, and whose remuneration is or was determined by the RC. In the Code, which states that an independent director is one who is independent in conduct, character and judgement, and has no relationship with the company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the company.

### Review of Directors' independence in 2023

None of the 3 IDs is currently employed or has been employed at any time during the past three financial years by the Company or any of its related corporations. These 3 IDs also do not have immediate family members who are currently employed or have been employed at any time during the past three financial years by the Company or any of its related corporations, and whose remuneration is determined by RC. The 3 IDs have also confirmed their independence in accordance with the Listing Manual and they do not have any relationship with the Company, its related corporations, its substantial shareholders, or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent judgment.

Mr Lim Hock San and Mr Foo Ko Hing have served as directors of the Company for more than nine years. The NC deemed that the length of service of a director should not determine the effectiveness of independence of an ID. In assessing the independence of a Director, the NC considers it more appropriate to have regard for the Director's contribution in terms of professionalism, integrity, objectivity, and ability to exercise independence of judgment in his deliberation in the interest of the Company. The NC is of the view that the Independent Directors have, over the years, developed significant insights into the Group's business and operations, and can continue to provide significant and valuable contributions objectively to the Board as a whole.

# CORPORATE GOVERNANCE REPORT

The NC is satisfied that there is no relationship or other factors such as gifts or financial assistance, business dealings, financial dependence, relationship with the Group or the Group's management which would impair the independence. The Board undertook a review of the independence of the 3 IDs and concurred with the NC's determination of the independence of the 3 IDs. Each of the IDs abstained from the deliberation and decision of the NC and the Board relating to his independence.

Pursuant to Listing Rule 210(5)(d)(iv), Mr Lim and Mr Foo who have been Directors of the Company for an aggregate period of more than nine years will cease to be considered independent upon the conclusion of the forthcoming AGM ("**2024 AGM**"). To facilitate Board renewal, Mr Lim and Mr Foo will retire by rotation pursuant to the Company's Constitution and not seek re-election. Dr Tan Chin Nam, a Non-Executive Director of the Company has also informed the Board of his intention to retire as a Director upon the conclusion of the 2024 AGM.

The respective announcements on the retirement of Mr Lim, Mr Foo and Dr Tan were released on 26 February 2024.

## **Provision 2.4 (Board size and diversity)**

The Company has in place a Board Diversity Policy, which endorses the principle that its Board should have a balance of skill, knowledge, experience, and diversity of perspectives to ensure effective decision-making and governance of the Company and its businesses.

The NC reviews and assesses the Board composition annually and recommends the appointment of new directors, where applicable. For new and continuing appointments, the NC will consider factors such as skills, experience, age, gender, educational and professional background, tenure of service, and other relevant personal attributes that are important and needed to support good decision-making at the Board level. Core competencies, which are taken into account in the selection and appointment of Directors, include banking, finance, accounting, business and & management experience, industry knowledge, familiarity with regulatory requirements, and knowledge of risk management, audit and internal controls.

The Board does not intend to appoint persons as Directors by reason of their gender or ages as token representatives on the Board to simply to achieve diversity. The Board view that all Board appointments will be made on merit, taking into account the skills, experience, independence, and knowledge that the particular director can bring to the Board and with due regard for the benefits of diversity on the Board. As gender is an important aspect of diversity, the NC will strive to ensure that the search for candidates for Board appointments will include female candidates that meet the requirements for a new candidate.

The Company's commitment to the following targets under its Board Diversity Policy:

<b>Gender</b>	The current Board comprises all male directors. The Board has set target to have 1 female director on board by 2027. The NC is in consultation with Management to source for suitable candidates with relevant knowledge and experience for the Board renewal.
<b>Age</b>	For the current Board, 75% of the Board members are aged above 60 years old, 12% of the Board members are aged below 50 years old and 13% of the Board members are aged between 50-60 years old.  The Board values skill and experience as paramount criteria in the appointment of directors but acknowledges the significance of age diversity and will duly consider it alongside other factors to have 1 more director below age of 60 by 2027. The NC is in consultation with Management to source for suitable candidates with relevant knowledge and experience for the Board renewal.

# CORPORATE GOVERNANCE REPORT

<b>Skills and experience</b>	<p>The current Board comprises Directors who are business leaders and professional with skills, experience, knowledge with core competencies in the areas of financial, banking, real estate, investment and accounting which are identified by the Board as critical for the Board to carry out its oversight of the business affairs, and to exercise stewardship and corporate governance of the Group.</p> <p>A detailed description of their background and experience is disclosed under the “Board of Directors” section of the Annual Report.</p>
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The NC has reviewed the current composition of the Board and is of the view that the current Board size is adequate in relation to the nature, size, and scope of the Company’s operation and that the members comprise persons whose diverse skills, experience and attributes provide for effective direction for the Group. The current Board comprises individuals who are business leaders and professionals with financial, banking, real estate, investment, and accounting backgrounds. The varied backgrounds of the Directors enable Management to benefit from their respective expertise and diverse background.

## **Provision 2.5 (Participation of NEDs)**

The NEDs participate actively at Board meetings to assist the Board in the development of the Group’s strategic plans and direction and in the review and monitoring the performance of the Group and Management. To facilitate this, they are kept informed of the Group’s businesses and performance through the monthly/half-yearly reports from the Management and have unrestricted access to Management. The NEDs (including the independent Chairman and other independent directors) may meet among themselves without the presence of the Management to provide feedback to the Board as and when the need arises.

## **PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER**

*There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

## **Provision 3.1 and 3.2 (Roles of Chairman and CEO)**

The roles of the Chairman and CEO are separate to ensure an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision making. The Board Chairman, Mr Lim Hock San is responsible for leading the Board and facilitating its effectiveness. Mr Lim is primarily responsible for the workings of the Board, by ensuring effectiveness in all aspects of its role including setting the agenda for Board meetings in consultation with CEO and CFO, ensuring sufficient time is allocated for discussion of each agenda item at Board meetings and promoting an open environment within the Boardroom for constructive discussion. As the Board Chairman, Mr Lim also promotes and lead the Company in its commitment to achieve and maintain good corporate governance.

The CEO, Mr Eugene Cho Park, is responsible for setting the corporate directions and business strategies and providing leadership and vision for the Company. He, together with the assistance of a team of key management personnel, is responsible for the day-to-day management of the Company and the Group’s affairs and ensures that the strategies and policies adopted by the Board are executed. The Chairman and CEO are not related.

## **Provision 3.3 (Lead Independent Director)**

Considering that the Board Chairman is an Independent Director, the Board is of the view that the appointment of a lead independent director is not necessary. The Independent Directors meet amongst themselves without the presence of the other directors where necessary for independent discussions and strive to provide constructive feedback to the Board after their meetings.

# CORPORATE GOVERNANCE REPORT

## **PRINCIPLE 4: BOARD MEMBERSHIP**

*The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.*

### **Provision 4.1 and 4.2 (NC Composition and Role)**

The NC comprises three members, all of whom, including the Chairman, are independent. The members of the NC are:

Mr Lim Hock San (Chairman)

Mr Foo Ko Hing

Mr Lim Chee San

The primary function of the NC is to determine the criteria for identifying candidates and reviewing nominations for the appointment of directors to the Board and also to decide how the Board's performance may be evaluated and to propose objective performance criteria for the Board's approval.

The NC functions under the terms of reference, which sets out its responsibilities:

- To review board succession plans for directors, in particular, the Chairman, CEO, and key management personnel;
- To develop the process for evaluation of the performance of the Board, its committees, and directors and conduct a formal assessment of the effectiveness of the Board, Board Committees, and contribution by each director;
- To review the training and professional development programs for the Board;
- To recommend to the Board for all board appointments, re-appointments and re-nominations; and
- To review the independence of the Independent Directors in accordance with the Code and Listing Rules.

Currently, there are no alternate directors on the Board.

### **Provision 4.3 (Selection, Appointment and Re-appointment of Directors)**

The NC reviews the the composition of the Board and Board committees annually having regard to the performance and contribution of each director and to ensure diversity of skills and experience within the Board and Board committees.

Where there is a resignation or retirement of an existing director, the NC will re-evaluate the Board composition to assess the competencies for the replacement. The NC will deliberate and propose the background, skills, qualifications, and experience of the candidate it deems appropriate. The factors taken into consideration by the NC could include, among other things, whether the new director can add to or complement the mix of skills and qualifications in the existing Board, the relevance of his experience and contributions to the business of the Company, and the depth and breadth he could bring to Board discussions. Candidates are sourced through a network of contacts and identified based on the established criteria. Search can be done through relevant institutions such as SID, professional organisations or business federations or external search consultants. New directors will be appointed through a Board resolution after the NC makes the necessary recommendation to the Board.



# CORPORATE GOVERNANCE REPORT

The Constitution of the Company provides that not less than one-third of the Directors for the time being shall retire as Directors at each AGM of the Company. In accordance with the Constitution of the Company, Mr Lim Hock San, Mr Foo Ko Hing, Mr Choo Kok Kiong will be retiring in accordance with the Constitution by way of rotation at the 2024 AGM. Mr Choo has consented to re-election.

To facilitate Board renewal, Mr Lim and Mr Foo, who have been Directors of the Company for more than 9 years have informed the Board that they will not seek re-election. Mr Lim will cease to be a Director of the Company, the Chairman of ARMC and NC and a member of RC from the close of the 2024 AGM. Mr Foo will cease to be a Director of the Company, Chairman of RC and a member of ARMC and NC from the close of the AGM. The Company has released the respective announcements on the retirement of Mr Lim and Mr Foo on 26 February 2024.

As Mr Lim and Mr Foo are retiring as the Directors of the Company upon the conclusion of the AGM, the Company is proposing the appointment of two (2) new Directors, Mr Tan Boon Hwa and Mr I Gusti Putu Suryawirawan as the Independent Non-Executive Directors for Shareholders approval by way of ordinary resolution.

The NC has considered the contribution and performance of Mr Choo and recommended to the Board his re-election at the forthcoming 2024 AGM. Mr Choo has abstained from the Board's deliberation on his re-election. Detailed information of Mr Choo is set out on pages 10 to 16 of this Annual Report.

The NC has, also recommended to the Board that Mr Tan Boon Hwa and Mr I Gusti Putu Suryawirawan will, subject to Shareholders' approval, be appointed as the Directors of the Company at the forthcoming AGM. Mr Tan and Mr Putu are considered independent by the Board in accordance with the Listing Manual. Detailed information of Mr Tan and Mr Putu are set out on pages 10 to 16 of this Annual Report.

## **Provision 4.4 (Determination of Independence)**

The NC reviews the independence of the IDs annually. In assessing their independence, the NC, having considered the guidelines set out in the SGX-ST Listing Manual and Code, is of the view that Mr Lim Hock San, Mr Foo Ko Hing and Mr Lim Chee San are independent. There are no relationships identified which would deem them not to be independent. Mr Lim Hock San, Mr Foo Ko Hing and Mr Lim Chee San have also declared their independence.

## **Provision 4.5 (Multiple Board Representations)**

The NC ensures that new Directors are aware of their duties and obligations. The NC also decides if a Director is able to and has been adequately carrying out his or her duties as a Director of the company. The NC considers, and it is of the view that it would not be appropriate to set a limit on the number of directorships in listed companies that a Director may hold because directors have different capabilities and the nature of the organisations in which they hold appointments and the kind of committees on which they serve are of different complexities, and for each Director to personally determine the demands of his or her competing directorships and obligations and assess the number of directorships they could hold and serve effectively.

The NC has reviewed each Director's outside directorships, their principal commitments, and attendance and contributions to the Board. Despite the multiple directorships, the NC is satisfied that the Directors have discharged their duties adequately and satisfactorily for FY2023.

Details of the Directors' principal commitments and outside directorships are set out on pages 7 to 9 in the "Board of Directors" section of the Annual Report.

# CORPORATE GOVERNANCE REPORT

## **PRINCIPLE 5: BOARD PERFORMANCE**

*The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.*

### **Provision 5.1 and 5.2 (Evaluation of Board Performance)**

The NC has in place a formal process for assessment of the effectiveness of the Board as a whole and peer evaluation. No external facilitator has been used for FY2023. The NC assesses the Board's performance as a whole annually using objective and appropriate performance criteria. When assessing the overall Board performance, the NC takes into consideration key criteria which include Board composition, Directors' independence, Board's role in leadership, strategy and performance, the Board's process and governance, interaction with Management and standard of conduct. Each Director was requested to complete an evaluation forms to assess the effectiveness of the Board based on the key criteria. The NC also carried out review of the performance of the Board Committees against their terms of reference and the objectivity and independence in their deliberations and recommendations they presented to the Board.

The NC also undertook an evaluation of the Directors' performance with focus on the contribution of individual Directors to the Board. Each Director carried out an assessment of his peers based on evaluation criteria such as level of commitment, competencies, commitment, inter-personnel relationships with other directors and management, standard of conduct as well as knowledge of the Group's business and operation.

The assessment by each Director was submitted to the Company Secretary for collation and presentation to the NC for evaluation and the results of the overall evaluation were presented to the Board including its recommendations for improvements, if any. The results of evaluation are also used by the NC, in its consultation with the Board Chairman to review, where appropriate, the composition of the Board and Board Committees and appointment of new members and its recommendations for election/re-election of retiring Directors.

The NC is satisfied that for FY2023, the Board and its Board Committees have been effective in the conduct of their respective duties and the Directors have each contributed to the effectiveness of the Board and the Board Committees (as applicable). The Board has accepted the NC's evaluation.

The Company does not use any external professional facilitator for the assessments of the Board. Board Committees and individual Director, and will consider the use of such facilitator as and when appropriate.

## **(B) REMUNERATION MATTERS**

### **PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES**

*The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her remuneration.*

### **Provision 6.1 and 6.2 (RC Composition and Role)**

The RC comprises three members, all of whom, including the Chairman, are independent. The members of the RC are:

Mr Foo Ko Hing (Chairman)

Mr Lim Hock San

Mr Lim Chee San

# CORPORATE GOVERNANCE REPORT

The key responsibilities of the RC as set out in its terms of reference as follows:

- To recommend to the Board a framework for remuneration for the Directors and key management personnel (“**KMP**”) of the Company;
- To determine specific remuneration packages for each Executive Director (“**ED**”) and KMP;
- To review the appropriateness of compensation for Non-Executive Directors (“**NEDs**”); and
- To review the remuneration of employees who are substantial shareholders or immediate family members of a director, the CEO, or substantial shareholder to ensure that the remuneration of each of such employees is commensurate with his or her duties and responsibilities and no preferential treatment is given to him or her.

## **Provision 6.3 and 6.4 (Review of Remuneration)**

All aspects of remuneration, including but not limited to directors’ fees, salaries, allowances, bonuses, and benefits in kind, will be covered by the RC. No member of the RC or any Director is involved in the deliberations in respect of any resolution of his remuneration package.

Each ED or KMP has a service agreement with the Company, which can be terminated by either party giving notice of resignation/termination. The RC has reviewed the Group’s obligations arising in the event of termination of the EDs and KMP’s contracts of service to ensure that such contracts of service contain fair and reasonable termination clauses that are not overly generous.

The RC did not seek expert advice from external remuneration consultants in 2023. RC may, at its discretion seek such expert advice if the need arise.

## **PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION**

*The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.*

## **Provision 7.1 (Remuneration of EDs and KMP)**

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and in comparable companies. All the EDs, including the CEO, and KMP have service agreements with the Company. The service agreements cover the terms of employment, salaries, and other benefits.

The remuneration of EDs and KMP comprises both fixed and variable components. The variable component is performance related and is linked to the Group/Company’s performance as well as the individual’s performance. Such performance-related remuneration is designed to align with the interests of shareholders and promote the long-term success of the Group. EDs receive remuneration as employees of the Company and do not receive directors’ fees or other remuneration from the Company or its subsidiaries.

Currently, the Company has no long-term incentive schemes or share options. The RC has reviewed and is satisfied that the existing compensation structure with variable components paid out in cash has continued to be effective in incentivising performance without being excessively compensated.

The Company does not have claw-back provisions to reclaim incentive components of remuneration from its EDs and KMP.

# CORPORATE GOVERNANCE REPORT

## **Provision 7.2 (Remuneration of NEDs and IDs)**

All the NEDs have no service contract and are compensated with directors' fees taking into consideration their respective contributions and attendance at meetings. Additional fees are paid for serving as the chairman or member of the Board committees according to the level of responsibilities and expected time spent for the respective roles.

The RC reviews the directors' fees for NEDs to ensure the remuneration is commensurate with their contribution and responsibilities. The directors' fees are subject to approval by the shareholders of the Company as a lump sum at each AGM of the Company.

The RC has reviewed the fee structure for NEDs as reflective of their responsibilities and work commitments without over-compensation to the extent that their independence will be compromised and recommends the directors' fees for FY2023 to the Board for tabling at the forthcoming AGM for shareholders' approval.

The RC considers that the current fee structure adequately compensates the NEDs, and given the size and operations of the Company, any implementation of schemes to encourage non-executive directors to hold shares in the Company may result in over-compensation. The RC will consider recommending such schemes if appropriate.

## **Provision 7.3 (Appropriate remuneration to attract, retain and motivate directors and KMP)**

The RC is satisfied that the remuneration structure of the EDs and KMP as described under Provision 7.1 and that for the NEDs as described under Provision 7.2 are appropriate to attract, retain and motivate the Directors to continue in their role as stewards of the Company and the KMP to contribute to the performance of the Group.

## **PRINCIPLE 8: DISCLOSURE OF REMUNERATION**

*The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance, and value creation.*

## **Provision 8.1 (Disclosure of Remuneration)**

The remunerations paid to or accrued to the Directors for FY2023 are as follows:

	<b>Salary</b>	<b>Bonus</b>	<b>Director's Fee</b>	<b>Other Benefits</b>	<b>Total</b>
	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>	<b>%</b>
<b>S\$500,000 to S\$1,499,999</b>					
Eugene Cho Park	53	38	–	9	100
Gianto Gunara	53	37	–	10	100
Choo Kok Kiong	53	37	–	10	100
<b>Below S\$500,000</b>					
Lim Hock San	–	–	100	–	100
Dr Tan Chin Nam	–	–	100	–	100
Axton Salim*	–	–	100	–	100
Foo Ko Hing	–	–	100	–	100
Lim Chee San	–	–	100	–	100

\* Mr Axton Salim, NED of the Company, is an immediate family member of Mr Anthoni Salim, the substantial shareholder of the Company.

## CORPORATE GOVERNANCE REPORT

For confidentiality reasons and given the sensitivity of remuneration information, the Company believes that the disclosure of exact remuneration of Executive and Non-Executive Directors with breakdown is not in the best interest of the Company and therefore it wishes to maintain confidentiality on each individual Director's remuneration. Instead disclosures are made under the broad bank of remuneration in the interest of the Company to maintain confidentiality of its remuneration policies.

In addition, given the highly competitive conditions in the marketplace where poaching of executives is not uncommon, it is not in the interest of the Company to disclose the remuneration of individual ED. The Board believes that it would be disadvantageous to the Group to disclose the exact remuneration of the EDs and has decided to disclose the remuneration of its EDs in bands of S\$500,000, along with the mix of the fixed and variable components. While the exact remuneration of the EDs is not given, the level and composition of the EDs' remuneration packages expressed in percentage terms are provided above.

The Company believes that disclosure of Directors' remuneration in remuneration bands will balance the interest of the Company and provide shareholders with an adequate appreciation of the EDs' remuneration packages and is consistent with the intent of Principle 8 of the Code.

Each ID's and NED's remuneration comprises wholly directors' fees of less than S\$500,000.

The remunerations paid to or accrued to the top five KMP (who are not directors of the Company or the CEO) for FY2023 are as follows:

	Salary	Bonus	Other Benefits	Total
	%	%	%	%
<b>S\$250,000 to S\$500,000</b>				
Executive 1	74	24	2	100
Executive 2	70	22	8	100
Executive 3	59	32	9	100
Executive 4	76	16	8	100
Executive 5	71	22	7	100

The Code recommends that the Company name and disclose the remuneration of at least the top five KMP in bands of S\$250,000.

The remuneration of each of the Company's top 5 KMP is above S\$250,000. The total remuneration paid to the top 5 KMP in 2023 is approximately S\$1,705,261.

The Company has not disclosed the names of the KMP individually. The Company has many competitors in the same industry, which are private companies. By disclosing the top five KMP individually in bands of S\$250,000, the Company is susceptible to the poaching of its personnel in a highly competitive marketplace vying for talent. The competitors have publicly available information on the profile of the Company's KMP and remuneration benchmark. The Company does not have similar information and is seriously disadvantaged compared to its competitors in retaining and recruiting key personnel. Loss of its key personnel involves considerable loss of operational know-how and cost in recruiting similar talent and gestation period for new key personnel to be fully inducted into the Company's work practices. All this would impact its business competitive edge vis-à-vis its competitors. Disclosure of the names of the KMP will not be in the interest of the Company from a business perspective. The Company believes the above disclosure provides a balance between the interest of the Company and the provision of information to shareholders and is consistent with the intent of Principle 8 of the Code.



# CORPORATE GOVERNANCE REPORT

## **Provision 8.2 (Remuneration of employees who are substantial shareholders or immediate family members of a director, the CEO or a substantial shareholder)**

Other than Mr Axton Salim, NED whose remuneration is disclosed in the foregoing, no employee of the Company or its subsidiaries is a substantial shareholder or an immediate family member of a Director, the CEO or a substantial shareholder and whose remuneration exceeds S\$100,000 for FY2023.

## **Provision 8.3 (Employee share schemes)**

The Company does not have any employee share scheme for its employees. The RC has reviewed and is satisfied that the existing compensation structure with variable components paid out in cash has continued to be effective in incentivising the performance of employees without being excessive.

## **(C) ACCOUNTABILITY AND AUDIT**

### **PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS**

*The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.*

### **Provision 9.1 (Risk Management and Internal Control Systems)**

The Board is responsible for the governance of risks and sets the direction for the Group in the way risks are managed in the Group's businesses to safeguard its assets and shareholder's interests. The ARMC which functions as the Risk Committee and has been tasked to assist the Board to oversee the governance of risks and monitor the Group's risks through its risk management framework, and internal controls systems. The ARMC, with the assistance of the internal and external auditors:

- reviews and recommends updates to the Group's risk governance approach and risk management framework;
- reviews significant strategic, financial, operational, regulatory/compliance and information technology risks for the Group;
- reviews the Management's assessment of risk and Management's action plans to mitigate such risks;
- supports the Board in setting of risk appetite for significant risks;
- reviews the adequacy and effectiveness of the Group' risk management and material internal controls addressing financial, operational, regulatory/compliance and information technology risks; and
- reports to the Board on matters, findings and recommendations relating risk management.

The Group has in place a system of internal control and risk management framework for ensuring proper accounting records and reliable financial information, as well as management of business risks to safeguard shareholders' investments and the Company's assets. The risk management framework implemented provides for systematic and structured review and reporting of the assessment of the degree of risk, evaluation, and effectiveness of controls in place and the requirements for further controls. The review of the Group's internal controls and risk management framework is a continuing process. The internal controls (including in respect of the financial, operational, compliance and information technology controls) and risk management systems as adopted by the Group are designed to manage rather than eliminate the risk of failure to achieve key business objectives. The internal controls and risk management systems are designed to provide reasonable, but not absolute, assurance as to material financial, operational, compliance and information technology risks. No such system can provide absolute assurance against the occurrence of material errors and other situations not currently within the contemplation or beyond the control of the Board.

# CORPORATE GOVERNANCE REPORT

## **Provision 9.2 (Assurances to the Board)**

The Board has received written assurances:

- (a) from the CEO and CFO that the Group's financial records have been properly maintained and the financial statements give a true and fair view of the Group's operations and finances; and
- (b) from the CEO and Chief Risk Officer ("**CRO**") that the Group's internal controls (including financial, operational, compliance and information technology controls) and risk management systems were adequate and effective to address the financial, operational, compliance and information technology risks within the current scope of the Group's business operations for FY2023.

The ARMC has reviewed the adequacy and effectiveness of the Group's risk management and material internal controls that address financial, operational, regulatory/compliance and information technology risks with the assistance of the Group's internal and external auditors who provided reports to the ARMC on the findings raised during the course of their audits of the Company and its significant subsidiaries.

Having regards to the reviews carried out by the ARMC and the written assurances from the Management, the Board, with the concurrence of the ARMC, is of the opinion that the Group's internal controls addressing financial, operational, regulatory/compliance and information technology risks and risk management systems were adequate and effective as at 31 December 2023. For FY2023, there were no material weakness being identified in the Group's internal controls or risk management systems.

## **PRINCIPLE 10: AUDIT AND RISK MANAGEMENT COMMITTEE**

*The Board has an Audit and Risk Management Committee which discharges its duties objectively.*

## **Provision 10.1 and 10.2 (Composition of ARMC)**

The ARMC comprises three members, all of whom, including the Chairman, are independent. The members of the ARMC are:

Mr Lim Hock San (Chairman)

Mr Foo Ko Hing

Mr Lim Chee San

All the members of ARMC have recent and relevant accounting or related financial management expertise or experience. The ARMC Chairman has a Bachelor of Accountancy from the University of Singapore. He is a Fellow of The Chartered Institute of Management Accountants (UK) and a Fellow and past President of the Institute of Singapore Chartered Accountants with considerable business, financial and accounting experience. Mr Foo Ko Hing has considerable business, banking, investment, and finance experience, having held positions in PricewaterhouseCoopers LLC and the banking industry. Mr Lim Chee San is a Fellow of the Association of Chartered Certified Accountants, UK, and a member of the Singapore Institute of Chartered Accountants. He holds a Bachelor of Law Degree (Honours) from the University of London and is a Barrister-at-law in England. He has extensive accounting and legal experience. The profile of the ARMC Chairman and its members are set out in the "Board of Directors" section of this annual report. The Board is satisfied that all the members of ARMC are appropriately qualified to discharge their responsibilities.

# CORPORATE GOVERNANCE REPORT

The ARMC performs the functions set out in the Companies Act and the Code relating to audit committees. It has written terms of reference which set out its authorities and duties. Its responsibilities include:

- To review the financial statements of the Company and the Group, in particular, significant financial reporting issues and judgments so as to ensure the integrity of the financial statements and any announcements relating to the Group's financial performance before submission to the Board;
- To review the audit plans of the Company with the internal and external auditors and the internal and external auditors' reports;
- To review, at least annually with the internal and external auditors, the adequacy and effectiveness of the company's internal controls and risk management systems;
- To review the adequacy, effectiveness, independence, scope, and results of the external audit and the company's internal audit function;
- To review and discuss with the internal and external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules, or regulations;
- To review the assurances from the CEO and CFO on the financial records and financial statements; and from the CEO and Chief Risk Officer on the risk management system;
- To review the adequacy of the finance functions and the quality of finance staff and cooperation given by the Company's management to the internal and external auditors;
- To make recommendations to our Board on the appointment, re-appointment, and removal of the internal and external auditors;
- To review interested person transactions and potential conflicts of interest;
- To undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising;
- To generally undertake such other functions and duties as may be required by the statute, regulations or the Listing Manual, or by such amendments as may be made thereto from time to time;
- To review the Group's sustainability report and the assurance provided by the internal auditors in relation to the internal review of the Group's sustainability reporting processes;
- To review arrangements by which the staff of the Company may, in confidence, raise concerns about possible improprieties in matters of financial reporting; and
- To review whistle-blowing policy and procedures and arrangements that are in place by which employees and officers of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or any other matters.

The ARMC has the authority to investigate any matters within its terms of reference and has full access to, and cooperation of management, with full discretion to invite any director or executive officer to attend its meetings.

# CORPORATE GOVERNANCE REPORT

## Independence of external auditors

The Company appoints Foo Kon Tan LLP (“**FKT**”), a firm registered with the Accounting and Corporate Regulatory Authority to conduct its audit on its financial statements, and its Singapore-incorporated subsidiaries, and other suitable audit firms for its significant foreign-incorporated subsidiaries and associated companies. The Company has complied with Rules 712, 715 and 716 of the Listing Manual in relation to the appointment of its audit firms for the Group.

The ARMC assesses the independence of the external auditors annually. The aggregate amount of fees paid and payable by the Group to the external auditors for FY2023 was approximately S\$1,178,000, of which audit fees amounted to approximately S\$965,000 and non-audit fees amounted to approximately S\$213,000. The ARMC has reviewed the range and value of non-audit services rendered by the external auditors and is satisfied that the nature and extend of such services will not impair the independence of the external auditors. The ARMC has recommended to the Board the re-appointment of the external auditors for FY2024 at the forthcoming AGM.

## Whistle-Blowing

The Group has a whistleblowing policy and procedures to create a work environment to allow employees, customers, service providers, vendors, and other stakeholders to raise concerns on misconduct, irregularities, or malpractices without fear of harassment and/or victimization and with an assurance that their concerns will be taken seriously and investigated and outcome duly communicated. The policy has established procedures for the employees to raise concerns or complaints about possible irregularities to their supervisors, the Human Resource Department, or Legal Department. The recipient of such complaints shall forward them promptly to the ARMC Chairman. The employees may confidentially and anonymously, if they choose, submit such concerns or complaints in writing to ARMC Chairman directly.

ARMC will form an independent investigating team, and if ARMC deems it appropriate, it may engage an independent adviser to assist in the investigation and evaluation of the complaint. Following the investigation and evaluation of the complaint conducted by an independent investigating team mandated by the ARMC Chairman, the ARMC Chairman shall report to the ARMC on recommended disciplinary or remedial action, if any. The action determined by the ARMC to be appropriate shall then be brought to the Board or appropriate members of senior management for authorization and implementation, respectively. The Group will treat the information received confidentially and protect the whistleblower’s identity. No employee shall suffer reprisal for raising concerns in good faith, even if mistaken.

The ARMC reviews all whistleblowing complaints, if any, at its half-yearly meeting. The policy is communicated to all employees as part of the Group’s efforts to promote a culture of openness, accountability, and integrity.

### **Provision 10.3 (Partners or Directors of the Company’s Auditing Firm)**

None of the members nor the Chairman of the ARMC are former partners or directors of the Group’s auditing firms or holds any financial interest in the Group’s auditing firms.

### **Provision 10.4 (Internal Audit Function)**

The Company’s internal audit function is outsourced to an external professional firm, PricewaterhouseCoopers, Indonesia (“**PwC Indonesia**”). PwC Indonesia, a member firm of PwC global network, has extensive capabilities and expertise in providing internal audit, enterprise risk management services, governance, risk and compliance. The engagement partner has more than 15 years of audit and advisory experience. Members of the internal audit team also have relevant academic qualifications, professional certifications and internal audit experience. The primary reporting line of the internal audit function is to ARMC. ARMC reviews and approves the annual internal audit plan proposed by PwC Indonesia. PwC Indonesia performs the internal audit in accordance with the Standards for Professional Practice of Internal Auditing as prescribed by the Institute of Internal Auditors.

# CORPORATE GOVERNANCE REPORT

PwC Indonesia assists the ARMC to:

- assess if adequate systems of internal controls are in place to protect the assets of the Group and to ensure control procedures are complied with;
- assess if operations of the business processes under review are conducted efficiently and effectively;
- identify and recommend improvement to internal control procedures, where required; and
- review on the Group's sustainability reporting processes as required by the Listing Rules of the SGX-ST.

The ARMC's terms of reference provide for it to review and approve the appointment, termination, and remuneration of the PwC Indonesia. PwC Indonesia has unrestricted access to all the Company's documents, records, properties, and personnel, including access to the ARMC, and has appropriate standing within the Company. ARMC has received confirmation from PwC Indonesia of its independence and is satisfied that the Company's internal audit function outsourced to PwC Indonesia, is independent, adequately resourced, and effective. The ARMC reviews the effectiveness and adequacy of the internal audit function annually to ensure that the internal audits are conducted effectively and the management take remedial actions to address any internal control weaknesses that have been identified. Based on the assessment conducted in 2023, the ARMC is satisfied with the quality and effectiveness of the internal audit function and that the internal audit function has adequate resources and appropriate independence within the Group to perform its function properly.

## **Provision 10.5 (Meeting with External and Internal Auditors without the presence of Management)**

The ARMC meets with the external and internal auditors, without the presence of Management, at least annually.

## **(D) SHAREHOLDER RIGHTS AND ENGAGEMENT**

### **PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF MEETINGS**

*The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.*

### **Provision 11.1 (General Meetings)**

The Company is committed to treating its shareholders fairly and equitably by recognising, protecting and facilitating the exercise of shareholders' rights. To facilitate the exercise of shareholders' rights, the Company ensures that all material information relating to the Group and its financial performance is disclosed in a timely manner via SGXNet to provide its shareholders with a balanced and understandable assessment of the Group's financial performance, position and prospects.

The Company's general meetings are the principal forum for dialogues with its shareholders where the Board and Management address shareholders' concerns, if any, as well as seeking views or inputs of shareholders. Notices of general meetings which set out the resolutions to be tabled to shareholders for approval together with the proxy forms as well as the annual reports and circulars can be accessed on the Company's website and the SGX-ST website.

The Company conducts electronic poll voting for all the resolutions proposed at its general meetings to promote effective shareholders' participation and greater transparency on the voting process. Electronic voting procedures are presented before commencement of the voting at the general meetings. Votes cast for or against each resolution will be validated by an independent scrutineer and electronically displayed at general meetings. The results of the votes cast on the resolutions is also announced via SGXNet after the general meetings.



# CORPORATE GOVERNANCE REPORT

## 2023 AGM

The Company held its 2023 AGM by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 (as amended from time to time). Shareholders had participated in 2023 AGM by attending the “live” audio-visual webcast or “live” audio-only stream. The shareholders voted “live” via electronic means at the AGM and had also appointed proxies to attend and vote on their behalf. The Company addressed shareholders’ substantial and relevant questions submitted in advance and the Company’s responses as well as the AGM presentation materials were published via SGXNet prior to the AGM. The results of the votes cast on the resolutions were announced via SGXNet after the AGM. All the Directors, the Company’s auditors, share registrar and independent scrutineer attended the 2023 AGM.

## 2024 AGM

The Company’s forthcoming AGM will be held physically. The arrangements relating to attendance and voting at the 2024 AGM, appointment of proxies, submission of questions and addressing of substantial and relevant questions in advance of the AGM, and the access to documents are set out in the Company’s Notice of AGM.

### **Provision 11.2 (Separate Resolutions at General Meetings)**

The Company tables separate resolutions at general meeting of shareholders on each substantially separate issue unless the issues are interdependent and linked so as to form one significant proposal. Where the resolutions are “bundled”, (if any), the Company explains the reasons and material implications in the notice of meeting. Each item of special business included in the notice of the meeting will be accompanied by a full explanation regarding the effect of the proposed resolution in respect of such business.

### **Provision 11.3 (Attendance of Directors and Auditors at General Meetings)**

All Directors including the members of the respective Board Committees are present at general meetings to address queries from the shareholders. The external auditors are also present to address shareholders’ queries, if any, on the conduct of the audit and the preparation and the auditors’ report. In 2023, the Company’s AGM, which was held by way of electronic means, was attended by all the Directors and the auditors.

### **Provision 11.4 (Absentia Voting)**

The Company’s Constitution permits voting in absentia by appointment of proxy. Under the Constitution, a shareholder (other than a relevant intermediary) may appoint up to two proxies to attend and vote on his/her behalf at the meeting through proxy forms deposited with the Company at least 72 hours prior to the meeting. Relevant intermediaries that include certain corporations holding licences for the provision of custodial services for securities and the CPF Board in respect of purchase of shares on behalf of CPF investors may appoint multiple proxies to attend and vote at the AGM.

### **Provision 11.5 (Minutes of General Meetings)**

The Company prepares minutes of its general meetings, which include the key comments and queries raised by shareholders and responses from the Board and Management. The minutes of general meetings are available on the Company’s website and SGX website as soon as practicable within one month after the meetings.

# CORPORATE GOVERNANCE REPORT

## **Provision 11.6 (Dividend Policy)**

The Company does not have a dividend policy. The Board will consider the Group's financial performance, liquidity, capital expenditure commitment, and need to repay debt before proposing to declare a dividend. The Notice for the forthcoming AGM does not carry a declaration of dividend for FY2023 as the Company is committing its cash resources to further develop its Utilities and Industrial Parks businesses. The Company will consider the declaration of dividends when the cash permits.

## **PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS**

*The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.*

## **Provision 12.1 (Shareholder Communication)**

The Company provides shareholders with periodic financial results in accordance with the timelines prescribed in the SGX-ST Listing Manual. The Company reports its financial results on a half-year basis. The Company's results for the first half year ("1H") are released to shareholders within 45 days of the end of 1H whilst the full year results are released within 60 days from the financial year end. The Company aims to provide the shareholders with a balanced and understandable assessment of the Group's performance and financial position when presenting the Group's financial results.

The Company ensures that shareholders are informed of all material developments relating to the Company and Group in an accurate and timely manner. Should there be an inadvertent disclosure made to a select group, the Company will release the same information promptly via SGXNet. The financial statements, material and price-sensitive information, and presentation material for the Company's AGM are disseminated and publicly released via SGXNet on timely basis. All the shareholders are notified of the Company's AGM and the documents relating thereto are made available on the Company's corporate website and SGX website.

## **Provision 12.2 and 12.3 (Investor Relations)**

The Company has an investor relations policy which facilitates communication with shareholders and the investment community. The Company conveys regularly to shareholders and investment community, information on its financial performance, financial results, Annual Reports, Sustainability Reports, press releases and other additional announcements uploaded onto SGXNet and the Company's website. The Company's designated Investor Relations contact, email at [gallant@gallantventure.com](mailto:gallant@gallantventure.com) and contact number at (65) 63893535 are available in the Company's website to facilitate communication with the shareholders and the investors.

The Company as and when appropriate, may also participate in investor seminars, conferences, and roadshows to keep the market and investors apprised of the Group's developments.

# CORPORATE GOVERNANCE REPORT

## (E) MANAGING STAKEHOLDERS RELATIONSHIP

### PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

*The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.*

#### **Provision 13.1 and 13.2 (Engage with its Material Stakeholder Groups)**

The Board recognises the interest of other parties such as employees, customers, suppliers and the local community are essential as part of the value creation for the Company. The Company has arrangement in place to identify and engage with its material stakeholders groups and to manage its relationships with such groups. This is done by the various business units on an on-going basis in the course of their business with suppliers, customers and the local community for corporate social responsibility programs, and on an annual basis in conjunction with the Company's preparations for sustainability reporting.

Details of the Group's key stakeholders, areas of focus and method of engagement with stakeholders can be found in our Sustainability Report 2023 in this Annual Report.

#### **Provision 13.3 (Corporate Website to Communicate and Engage with Stakeholders)**

The Company maintains a current corporate website at <http://www.gallantventure.com/> to communicate and engage with stakeholders.

## (F) DEALINGS IN SECURITIES

The Company has internal guidelines on dealings in the Company's securities by its Directors, officers, and relevant employees of the Group. The guidelines are issued to all Directors of the Company, the officers, and relevant employees of the Group. The Directors, officers and relevant employees are prohibited from dealing in the Company's Securities one month prior to the release of the half-year and full-year financial statements of the Company. Directors, officers, and relevant employees are also reminded to observe insider trading laws at all times and not to deal in the Company's securities when possessing any unpublished price-sensitive information regarding the Group or on short-term considerations. The Company issues periodic reminders to its Directors, officers, and relevant employees on the restrictions in dealings in listed securities of the Group as set out above. The Company confirms it has complied with Rule 1207(19) of the SGX-ST Listing Manual in not dealing in its securities during the restricted dealing periods.

## (G) INTERESTED PERSON TRANSACTIONS ("IPTs")

The Company has in place an internal policy for identification, evaluation, review, approval and reporting of IPTs. The ARMC has reviewed the Group's IPTs to ensure that the transactions were executed at normal commercial terms and did not prejudice the interest of the Group and its minority shareholders. The ARMC is satisfied that the internal controls in relation to IPTs were effective.

The ARMC confirmed that an independent financial advisers' opinion is not required for the renewal of the Company's IPT Mandate as the methods and procedures for determining the transaction prices of IPTs conducted under the IPTs Mandate have not changed since the last shareholder approval for the IPTs Mandate at the AGM held on 28 April 2023 and such methods and procedures continue to be sufficient to ensure that these IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority shareholders.

# CORPORATE GOVERNANCE REPORT

Particulars of IPTs required to be disclosed under Rule 907 of the Listing Manual are as follows:

Name of interested Person	Nature of Relationship	The aggregate value of all interested person transactions entered into during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under Shareholders' Mandate pursuant to Rule 920 of the Listing Manual)	The aggregate value of all interested person transactions conducted under Shareholder's Mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)
		<b>S\$'000</b>	<b>S\$'000</b>
<b>Sales of Goods and Services</b>			
Salim Group	See Note (1)	N.A	<b>2,298</b>
IMAS Group	See Note (2)	N.A	<b>1,540</b>
<b>Purchase of Goods and Services</b>			
Salim Group	See Note (1)	N.A	<b>35,330</b>
IMAS Group	See Note (2)	N.A	<b>1,476</b>
<b>Interest Income</b>			
Salim Group	See Note (1)	N.A	<b>1,870</b>
<b>Dividend Income</b>			
IMAS Group	See Note (2)	N.A	<b>25,559</b>

**Notes:**

- (1) Salim Group refers to Mr Anthoni Salim and the group of companies controlled by him or, if the context requires, Mr Anthoni Salim.
- (2) IMAS Group refers to PT Indomobil Sukses Internasional Tbk, its subsidiaries and associated companies.

## (H) MATERIAL CONTRACTS

Save as may be disclosed in this Annual Report, including the Appendix relating to the proposed renewal of the interested person transactions mandate, there were no material contracts entered into by the Company or its subsidiary companies involving the interests of the Chief Executive Officer, any Directors or controlling shareholders of the Company which were still subsisting at the end of FY2023, or if not then subsisting, entered into since the end of FY2023.

# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

We are pleased to present this statement to the members together with the audited consolidated financial statements of Gallant Venture Ltd. (the "Company") and its subsidiaries (collectively, the "Group") and the statement of financial position of the Company for the financial year ended 31 December 2023.

In the opinion of the Directors,

- (a) the accompanying consolidated financial statements of the Group and statement of financial position of the Company, are drawn up so as to give a true and fair view of the financial position of the Company and of the Group as at 31 December 2023 and the financial performance, changes in equity and cash flows of the Group for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)"); and
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due, as disclosed in Note 3.1 Judgements used in applying accounting policies – (a) Going concern.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

## Names of Directors

The Directors of the Company in office at the date of this statement are:

Mr Lim Hock San (Non-Executive Chairman and Independent Director)  
Mr Eugene Cho Park (Executive Director and Chief Executive Officer)  
Mr Gianto Gunara (Executive Director and Chief Operating Officer)  
Mr Choo Kok Kiong (Executive Director and Chief Financial Officer)  
Dr Tan Chin Nam (Non-Executive Director)  
Mr Axton Salim (Non-Executive Director)  
Mr Foo Ko Hing (Non-Executive and Independent Director)  
Mr Lim Chee San (Non-Executive and Independent Director)

## Arrangements to enable Directors to acquire shares or debentures

During and at the end of the financial year, neither the Company nor any of the subsidiaries was a party to any arrangement which the object of which was to enable the Directors to acquire benefits through the acquisition of shares in or debentures of the Company or of any other corporate body, other than as disclosed in this statement.



# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

## Directors' interests in shares or debentures

According to the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, none of the Directors who held office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations except as follows:

	Number of ordinary shares registered in the name of Director or nominee		Number of ordinary shares in which Director is deemed to have an interest	
	At 1.1.2023 or date of appointment if later	As at 31.12.2023 and 21.1.2024	At 1.1.2023 or date of appointment if later	As at 31.12.2023 and 21.1.2024
<b>The Company</b>				
Lim Hock San	1,714,000	<b>1,714,000</b>	-	-
Eugene Cho Park	200,000	<b>200,000</b>	-	-
Gianto Gunara	200,000	<b>200,000</b>	-	-

## Share options scheme

There were no share options granted during the financial year to subscribe for unissued shares of the Company or of its subsidiaries.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares under option at the end of the financial year.

## Audit and Risk Management Committee

The Audit and Risk Management Committee ("ARMC") at the end of the financial year comprises the following members:

Mr Lim Hock San (Chairman)  
 Mr Foo Ko Hing  
 Mr Lim Chee San

The ARMC performs the functions set out in Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the committee performed the following:

- (i) reviewed the overall scope of both the internal and external audits and the assistance given by the Company's officers to the auditors. It met with the Company's internal and external auditors to discuss the results of their respective examinations and their evaluation of the Company's system of internal accounting controls;
- (ii) reviewed the audit plan of the Company's independent auditor and any recommendations on internal accounting controls arising from the statutory audit;
- (iii) reviewed the reliability and integrity of the financial statements;

# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

## Audit and Risk Management Committee (Cont'd)

- (iv) reviewed the effectiveness of the Company's and the Group's material internal controls, including financial, operational, compliance and information technology controls and risk management via reviews carried out by the internal auditors;
- (v) met with the external auditor, other committees, and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the ARMC;
- (vi) reviewed legal and regulatory matters that may have a material impact on the financial statements, related compliance policies and programmes and any reports received from regulators;
- (vii) reviewed the cost effectiveness and the independence and objectivity of the external auditor;
- (viii) reviewed the nature and extent of non-audit services provided by the external auditor;
- (ix) recommended to the board of directors the external auditor to be nominated, approved the compensation of the external auditor, and reviewed the scope and results of the audit;
- (x) reported actions and minutes of the ARMC to the board of directors with such recommendations as the ARMC considered appropriate; and
- (xi) reviewed the interested person transactions (as defined in Chapter 9 of the Listing Manual of the Singapore Exchange).

The ARMC has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any Director or executive officer to attend its meetings.

The ARMC also recommends on the appointment of the external auditor and reviews the level of audit and non-audit fees. It is satisfied with the independence and objectivity of the external auditor and has recommended to the Board of Directors that the external auditor, Foo Kon Tan LLP, is to be nominated for re-appointment at the forthcoming Annual General Meeting of the Company.

Full details regarding the ARMC are provided in the Report on Corporate Governance.

In appointing the auditors for the Company, the subsidiaries and the significant associated companies, Rules 712, 715 and 716 of the SGX Listing Manual have been complied.

# DIRECTORS' STATEMENT

For the financial year ended 31 December 2023

## Independent auditor

The independent auditor, Foo Kon Tan LLP, Public Accountants and Chartered Accountants, has expressed its willingness to accept re-appointment.

On behalf of the Directors

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Eugene Cho Park

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Choo Kok Kiong

Dated: 5 April 2024

# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of Gallant Venture Ltd. (the "Company") and its subsidiaries (the "Group"), which comprise the statements of financial position of the Company and the Group as at 31 December 2023, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows of the Group for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2023 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### **(a) Impairment assessment of investments in subsidiaries (Note 8) of the Company and associate companies (Note 9) of the Company and of the Group**

As at 31 December 2023, the Company's investments in subsidiaries and associate companies amounted to S\$1.13 billion and S\$382.0 million, respectively, which represented about 71% and 24% of the Company's total assets. As at 31 December 2023, the Group's investments in associate companies amounted to S\$369.0 million, which represented about 26% of the Group's total assets.

The Company has assessed for impairment indications in the investments in subsidiaries and associate companies, and has concluded that impairment indications existed in certain subsidiaries. The investments in these subsidiaries are then tested for impairment which involves the estimation of their recoverable amounts.

# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on the Audit of the Financial Statements (Cont'd)

### Key Audit Matters (Cont'd)

#### **(a) Impairment assessment of investments in subsidiaries (Note 8) of the Company and associate companies (Note 9) of the Company and of the Group (Cont'd)**

An impairment loss is recognised for the amount by which the carrying amount of a cash-generating-unit ("CGU") exceeds its recoverable amount, defined as the higher of "value-in-use" ("VIU") and "fair value less costs of disposal" ("FVLCD"). A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The VIU estimation is based on management approved 5-year cash flow projections incorporating key assumptions, such as the growth rate, terminal value and discount rate of the CGU, in order to calculate the present value of the CGU's future cash flows. The FVLCD estimation is based on the CGU's revalued net assets value.

The Company has also assessed for indications that an impairment loss previously recognised may no longer exist or may have decreased, and has concluded that such indications exist in certain subsidiaries and associate companies. The recoverable amount of these subsidiaries and associate companies are then estimated to determine the amount of the reversal of impairment loss. An impairment loss is reversed only to the extent that the increased carrying amount of the CGU does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years.

The impairment assessment of investments in subsidiaries and associate companies involves significant judgement and estimation uncertainty in the methodology and assumptions used.

#### **How the matter was addressed in the audit**

Our audit procedures included among others, assessing the appropriateness of the CGUs identified by management. We evaluated whether there had been significant changes in the factors considered by management in assessing whether indications of impairment exist or no longer exists for investment in subsidiaries of the Company and associate companies of the Company and of the Group.

We engaged auditor's expert to evaluate the recoverable amount prepared by management and the inputs and assumptions used. We assessed whether the auditor's expert has the necessary competency and objectivity for our purposes. We also obtained an understanding of the nature and scope of objectives of that expert's work and evaluating the adequacy of that work.

In the computation of VIU as the recoverable amount, the Company had taken into account the indicative market prices of their goods, and used inputs, such as market growth rate, weighted average cost of capital and the historical, present and future economic factors, typical of similar industry. For FVLCD as the recoverable amount, the revalued net assets value is determined based on the fair value of the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the reporting date. The Company made reference to indicative market prices for non-financial assets to estimate their fair value.



# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on the Audit of the Financial Statements (Cont'd)

### Key Audit Matters (Cont'd)

**(a) Impairment assessment of investments in subsidiaries (Note 8) of the Company and associate companies (Note 9) of the Company and of the Group (Cont'd)**

**How the matter was addressed in the audit (Cont'd)**

Through our auditor's expert, we assessed reasonableness of the valuation techniques applied, estimates adopted and assumptions used to arrive at the recoverable amounts of the CGUs. We checked the arithmetical accuracy of the recoverable amount calculations.

We also reviewed the adequacy of disclosures information on investments in subsidiaries and associate companies included in Note 8 and Note 9, respectively, to the financial statements.

**(b) Net realisable value of land inventories (Note 12) of the Group**

As at 31 December 2023, the land inventories of the Group amounted to S\$602.4 million, representing about 43% of the Group's total assets. The Group's land inventories are mainly located in Bintan and Batam islands in Indonesia. Land inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, based on market prices, less the estimated costs of completion and the estimated costs necessary to make the sale.

The determination of the net realisable value of these land inventories requires management to make assumptions and estimates in deriving the budgeted costs to completion and to be incurred for their sales, and the estimated selling prices and demand. These assumptions and estimates involve significant judgement and estimation uncertainty.

**How the matter was addressed in the audit**

We evaluated the objectivity and independence of the external valuers, and also considered the qualification and competency of the external valuers engaged.

We considered the appropriateness of the valuation techniques used by the external valuers for the land inventories. We reviewed the reasonableness of the inputs used by the external valuers by reference to historical data and considered whether these inputs are consistent with the current market environment. The inputs used included recently transacted selling prices of these land and prices of comparable land located in the vicinity, and land specific factors adjustment, if any.

We also reviewed the adequacy of disclosure information on land inventories included in Note 12 to the financial statements.

# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on the Audit of the Financial Statements (Cont'd)

### Key Audit Matters (Cont'd)

#### **(c) Impairment assessment of property, plant equipment (Note 5) and right-of-use assets (Note 6) of the Group**

As at 31 December 2023, the Group's property, plant and equipment and right-of-use assets amounted to S\$158.5 million and S\$8.9 million respectively, which collectively represented about 12% of the Group's total assets. Property, plant and equipment comprises mainly leasehold land, building and infrastructure, utilities plant and machinery, machinery and equipment. Right-of-use assets comprise leasehold buildings, leased office, transportation equipment and motor vehicles.

The Group has assessed for impairment indications in the property, plant and equipment and right-of-use assets, and has concluded that impairment indications existed in certain property, plant and equipment and right-of-use assets. These non-financial assets are then tested for impairment which involves the estimation of their recoverable amounts.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount, the higher of VIU and FVLCD. The VIU calculation is based on management approved 5-year cash flow projections incorporating key assumptions, such as the growth rate and discount rate, to calculate the present value of future cash flows. The FVLCD estimation is determined by external valuers based on either the market approach, cost approach or a combination of both.

The Group takes into account the indicative open market prices of the property, plant and equipment and right-of-use assets, typical of similar industries, to estimate the recoverable amount.

The impairment assessment of property, plant and equipment and right-of-use assets involves significant judgement and estimation uncertainty in the methodology and assumption used.

#### **How the matter was addressed in the audit**

Our audit procedures included among others, assessing the appropriateness of CGUs identified by the Group.

We evaluated whether there had been significant changes in the factors considered by the Group in assessing whether indications of impairment exist.

We reviewed the management's expert's estimates and key assumptions adopted in the valuation techniques to arrive at the recoverable amounts of the CGUs associated with the property, plant and equipment and right-of-use assets. We have also assessed the competencies and objectivities of the auditor's and management's experts.

We also reviewed the adequacy of disclosures about key assumptions used and their sensitivity analysis. The disclosure information about the Group's property, plant and equipment and right-of-use assets are included in Note 5 and Note 6 respectively to the financial statements.

# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on the Audit of the Financial Statements (Cont'd)

### Other Information

Management is responsible for the other information. The other information comprises the "Directors' Statement" section of the Annual Report but does not include the financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report, and the remaining sections of the Annual Report, which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining sections of the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

### Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on the Audit of the Financial Statements (Cont'd)

### Auditor's Responsibilities for the Audit of the Financial Statements (Cont'd)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

# INDEPENDENT AUDITOR'S REPORT

To the members of Gallant Venture Ltd.

## Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner of the audit resulting in this independent auditor's report is Ling Guo Leng.

Foo Kon Tan LLP  
Public Accountants and  
Chartered Accountants

Singapore, 5 April 2024

# STATEMENTS OF FINANCIAL POSITION

As at 31 December 2023

	Note	The Group		The Company	
		31 December	31 December	31 December	31 December
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Non-Current</b>					
Intangible assets	4	108	123	8	–
Property, plant and equipment	5	158,541	129,353	99	8
Right-of-use assets	6	8,932	13,178	661	981
Investment properties	7	88,625	91,019	–	–
Subsidiaries	8	–	–	1,132,704	1,131,649
Associates	9	368,961	358,502	381,974	347,826
Deferred tax assets	10	1,218	1,390	–	–
Trade and other receivables	14	163	244	354	530
Other non-current assets	11	7,920	5,584	416	148
		<b>634,468</b>	<b>599,393</b>	<b>1,516,216</b>	<b>1,481,142</b>
<b>Current</b>					
Land inventories	12	602,398	599,396	–	–
Other inventories	13	6,818	6,882	–	–
Trade and other receivables	14	46,667	45,134	69,371	76,254
Cash and cash equivalents	15	109,137	127,786	689	932
		<b>765,020</b>	<b>779,198</b>	<b>70,060</b>	<b>77,186</b>
<b>Total assets</b>		<b>1,399,488</b>	<b>1,378,591</b>	<b>1,586,276</b>	<b>1,558,328</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
Share capital	16	1,963,457	1,963,457	1,963,457	1,963,457
Treasury shares	17	(50)	(50)	(50)	(50)
Accumulated losses		(1,291,339)	(1,276,513)	(1,347,790)	(1,339,408)
Reserves	18	68,702	64,890	80,000	80,000
Equity attributable to owners of the Company		<b>740,770</b>	<b>751,784</b>	<b>695,617</b>	<b>703,999</b>
Non-controlling interests		<b>6,964</b>	<b>7,052</b>	<b>–</b>	<b>–</b>
<b>Total equity</b>		<b>747,734</b>	<b>758,836</b>	<b>695,617</b>	<b>703,999</b>
<b>Liabilities</b>					
<b>Non-Current</b>					
Deferred tax liabilities	10	2,039	2,237	–	–
Borrowings	19	311,177	328,726	216,978	247,465
Employee benefits liabilities	20	10,688	11,743	–	–
Other non-current liabilities	21	32,369	29,674	54	54
Lease liabilities	22	5,060	9,288	924	1,428
Contract liabilities	24	73,524	56,153	–	–
		<b>434,857</b>	<b>437,821</b>	<b>217,956</b>	<b>248,947</b>
<b>Current</b>					
Borrowings	19	71,174	47,052	483,468	438,127
Lease liabilities	22	5,462	5,130	491	487
Trade and other payables	23	125,731	118,048	187,108	165,703
Contract liabilities	24	6,760	4,227	–	–
Current tax payable		7,770	7,477	1,636	1,065
		<b>216,897</b>	<b>181,934</b>	<b>672,703</b>	<b>605,382</b>
<b>Total liabilities</b>		<b>651,754</b>	<b>619,755</b>	<b>890,659</b>	<b>854,329</b>
<b>Total equity and liabilities</b>		<b>1,399,488</b>	<b>1,378,591</b>	<b>1,586,276</b>	<b>1,558,328</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the financial year ended 31 December 2023

	Note	The Group	
		Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
Revenue	24	182,666	166,836
Cost of sales		(115,162)	(111,531)
Gross profit		67,504	55,305
Other income/(expenses)	25	13,788	(1,141)
General and administrative expenses		(21,893)	(20,016)
Other operating expenses	26	(27,464)	(24,267)
Share of associate companies' results		7,794	19,078
Finance costs	27	(37,515)	(27,312)
<b>Profit before taxation</b>		<b>2,214</b>	<b>1,647</b>
Taxation	29	(17,073)	(15,401)
<b>Loss for the year</b>	28	<b>(14,859)</b>	<b>(13,754)</b>
<b>Other comprehensive income</b>			
<u>Items that are/may be reclassified subsequently to profit or loss</u>			
Currency translation differences arising from foreign operations		(27)	(613)
Realisation of reserves upon deconsolidation of subsidiary		59	–
Share of other comprehensive (loss)/income of associates			
– Currency translation differences		(3,679)	(59,333)
– Fair value of cash flow hedges		4,631	2,444
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Remeasurements of defined benefit plans		591	1,172
Share of other comprehensive income of associates			
– Change in fair value on equity instruments at fair value through other comprehensive income		3,464	6,164
– Remeasurements of defined benefit plans		331	1,749
Other comprehensive income/(loss) for the year after taxation	30	5,370	(48,417)
<b>Total comprehensive loss for the year</b>		<b>(9,489)</b>	<b>(62,171)</b>
<b>Loss attributable to:</b>			
– Owners of the Company		(14,826)	(13,607)
– Non-controlling interests		(33)	(147)
		<b>(14,859)</b>	<b>(13,754)</b>
<b>Total comprehensive loss attributable to:</b>			
– Owners of the Company		(9,456)	(62,021)
– Non-controlling interests		(33)	(150)
		<b>(9,489)</b>	<b>(62,171)</b>
		<b>Cents</b>	<b>Cents</b>
<b>Loss per share</b>	31		
– Basic		0.271	0.249
– Diluted		0.271	0.249

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

Attributable to owners of the Company										
Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Translation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Other reserves \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
<b>1,963,457</b>	<b>(50)</b>	<b>80,000</b>	<b>(65,659)</b>	<b>3,097</b>	<b>44,890</b>	<b>2,562</b>	<b>(1,276,513)</b>	<b>751,784</b>	<b>7,052</b>	<b>758,836</b>
-	-	-	-	-	-	-	(14,826)	(14,826)	(33)	(14,859)
-	-	-	(24)	-	-	588	-	564	-	564
-	-	-	(3,679)	4,631	3,464	331	-	4,747	-	4,747
-	-	-	59	-	-	-	-	59	-	59
<b>Total comprehensive (loss)/income for the year</b>			<b>(3,644)</b>	<b>4,631</b>	<b>3,464</b>	<b>919</b>	<b>(14,826)</b>	<b>(9,456)</b>	<b>(33)</b>	<b>(9,489)</b>
-	-	-	-	-	-	-	-	-	(55)	(55)
-	-	-	-	-	-	(1,558)	-	(1,558)	-	(1,558)
<b>1,963,457</b>	<b>(50)</b>	<b>80,000</b>	<b>(69,303)</b>	<b>7,728</b>	<b>48,354</b>	<b>1,923</b>	<b>(1,291,339)</b>	<b>740,770</b>	<b>6,964</b>	<b>747,734</b>

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2023

Attributable to owners of the Company										
Share capital \$'000	Treasury shares \$'000	Capital reserve \$'000	Translation reserve \$'000	Hedging reserve \$'000	Fair value reserve \$'000	Other reserves \$'000	Accumulated losses \$'000	Total \$'000	Non-controlling interests \$'000	Total equity \$'000
1,963,457	(50)	80,000	(5,745)	653	38,726	(271)	(1,262,906)	813,864	7,206	821,070
-	-	-	-	-	-	-	(13,607)	(13,607)	(147)	(13,754)
-	-	-	(581)	-	-	1,143	-	562	(3)	559
-	-	-	(59,333)	2,444	6,164	1,749	-	(48,976)	-	(48,976)
<b>Total comprehensive (loss)/income for the year</b>			(59,914)	2,444	6,164	2,892	(13,607)	(62,021)	(150)	(62,171)
Dividend paid	-	-	-	-	-	-	-	-	(4)	(4)
Share of reserves of associates	-	-	-	-	-	(59)	-	(59)	-	(59)
<b>Balance at 31 December 2022</b>	(50)	80,000	(65,659)	3,097	44,890	2,562	(1,276,513)	751,784	7,052	758,836

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

	Note	The Group	
		Year ended 31 December 2023 \$'000	Year ended 31 December 2022 \$'000
<b>Cash Flows from Operating Activities</b>			
Profit before taxation		2,214	1,647
Adjustments for:			
Amortisation of intangible assets	4, 28	84	67
Depreciation of property, plant and equipment, investment properties and right-of-use assets	28	30,831	29,854
Loss on deconsolidation of subsidiary	8(a), 25	54	–
Gain on disposals of property, plant and equipment	25	(16)	(11)
Net allowance for expected credit losses of trade and other receivables	28	53	136
Allowance for inventories obsolescence	13, 28	32	202
Provision for employees' benefits	20, 28	2,101	875
Interest expense	27	37,515	27,312
Interest income	25	(2,696)	(2,754)
Share of associate companies' results		(7,792)	(19,078)
Operating profit before working capital changes		62,380	38,250
Increase in land inventories		(3,002)	(2,025)
Decrease in other inventories		32	473
Increase in operating receivables		(3,575)	(4,480)
Increase in operating payables and contract liabilities		19,109	30,962
Cash generated from operating activities		74,944	63,180
Income tax paid		(16,775)	(16,678)
Interest paid	A	(35,954)	(24,498)
Interest received		2,396	2,304
Employee benefit paid	20	(2,393)	(2,356)
Net cash generated from operating activities		22,218	21,952
<b>Cash Flows from Investing Activities</b>			
Acquisition of intangible assets	4	(27)	(3)
Acquisition of property, plant and equipment	5	(47,980)	(12,141)
Acquisition of investment properties	7	(4,859)	(3,425)
Dividend from associates	9	1,862	1,013
Proceeds from disposal of property, plant and equipment		65	68
Addition in investment in associate		–	(26)
Net outflow on deconsolidation of subsidiary	8(a)	(1)	–
Net cash used in investing activities		(50,940)	(14,514)
<b>Cash Flows from Financing Activities</b>			
Payment of principal portion of lease liabilities	A	(5,992)	(4,622)
Proceeds from borrowings	A	48,754	14,800
Repayment of borrowings	A	(32,633)	(23,597)
Increase in restricted bank balances		(2,824)	(3,819)
Proceeds from additional capital stock contribution of non-controlling interests		(55)	(4)
Net cash generated from/(used in) financing activities		7,250	(17,242)
Decrease in cash and cash equivalents		(21,472)	(9,804)
Cash and cash equivalents at beginning of year		112,067	122,180
Effect of currency translation on cash and cash equivalents		(1)	(309)
Cash and cash equivalents at end of year		90,594	112,067

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

For the financial year ended 31 December 2023

## Note A Reconciliation of liabilities arising from financing activities

The following is the disclosures of the reconciliation of items for which cash flows have been classified as financing activities, excluding equity items.

The Group	Note	As at 1 January \$'000	Cash flows \$'000	Non-cash flows				The effect of changes in foreign rates \$'000	As at 31 December \$'000
				New lease \$'000	Lease modification \$'000	Termination/ Disposal \$'000	Interest expenses \$'000		
<b>2023</b>									
Borrowings	19	375,778	(19,833)	–	–	–	36,204	(9,798)	382,351
Lease liabilities	22	14,418	(5,992)	768	(41)	(50)	1,057	362	10,522
2022									
Borrowings	19	385,392	(33,295)	–	–	–	25,727	(2,046)	375,778
Lease liabilities	22	3,997	(4,622)	14,254	–	(60)	1,137	(288)	14,418

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 1 General information

Gallant Venture Ltd. (the “Company”) is listed on the Mainboard of Singapore Exchange Securities Trading Limited (“SGX-ST”) and incorporated and domiciled in Singapore. The address of its registered office is 3 HarbourFront Place #16-01 HarbourFront Tower Two, Singapore 099254.

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 8 to the financial statements.

The consolidated financial statements of the Group and the statement of financial position of the Company for the financial year ended 31 December 2023 were authorised for issue in accordance with a resolution of the Directors on the date of the Directors’ statement.

## 2 Accounting policies

### 2.1 Basis of preparation

The financial statements are prepared in accordance with the provisions of the Companies Act 1967 (the “Act”), and Singapore Financial Reporting Standards (International) (“SFRS(I)”) including related Interpretations (“SFRS(I) INT”). The financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies below.

The financial statements are presented in Singapore Dollar which is the Company’s functional currency. All financial information, presented in Singapore Dollar, is rounded to the nearest thousand (\$’000) unless otherwise stated.

### 2.2 Adoption of new and revised SFRS (I) effective in 2023

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I)s INT that are relevant to its operations and effective for annual periods beginning on or after 1 January 2023. The adoption of these new or revised SFRS(I)s and SFRS(I)s INT on 1 January 2023 did not result in changes to the Group’s and Company’s accounting policies and has no material effect on the current or prior year’s financial statements.

### 2.3 SFRS(I) issued but not yet effective

The following are the new accounting standards, amendments and interpretations issued that are not yet applicable.

Reference	Description	Effective date (Annual periods beginning on or after)
Amendments to SFRS(I) 1-1	Classification of Liabilities as Current or Non-current	1 January 2024
Amendments to SFRS(I) 1-1	Non-current Liabilities with Covenants	1 January 2024
Amendments to SFRS(I) 16	Lease Liability in a Sale and Leaseback	1 January 2024
Amendments to SFRS(I) 1-7 and SFRS(I) 7	Supplier Finance Arrangements	1 January 2024
Amendments to SFRS(I) 1-21	Lack of Exchangeability	1 January 2025
Amendments to SFRS(I) 10 and SFRS(I) 1-28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.3 SFRS(I) issued but not yet effective (Cont'd)

The new or amended accounting standards and interpretations listed above are not mandatory for 31 December 2023 reporting periods and have not been early adopted by the Group. These are not expected to have a material impact on the Group, upon adoption of these new or amended accounting standards, in the current or future reporting periods and on foreseeable future transactions.

### 2.4 Basis of consolidation and business combination

#### (i) Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the end of the reporting period. The financial statements of the subsidiaries used in the preparation of the consolidated financial statements are prepared for the same reporting date as the Company. Consistent accounting policies are applied to like transactions and events in similar circumstances.

All intra-group balances, income and expenses and unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date that such control ceases.

Losses and other comprehensive income are attributable to the non-controlling interests even if that results in a deficit balance.

#### Subsidiary and existence of control

A subsidiary is an investee that is controlled by the Group. The Group controls an investee when it is exposed, or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, the Group controls an investee if and only if the Group has all of the following:

- power over the investee;
- exposure, or rights to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.4 Basis of consolidation and business combination (Cont'd)

#### (i) Basis of consolidation (Cont'd)

##### Subsidiary and existence of control (Cont'd)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

##### Non-controlling interests

Non-controlling interests represents the equity in subsidiaries not attributable, directly or indirectly, to owners of the Company, and are presented separately in the consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from equity attributable to owners of the Company.

##### Changes in ownership interests in subsidiaries without loss of control

Changes in the Company owners' ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions. In such circumstances, the carrying amount of the controlling and non-controlling interests is adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests is adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

##### Changes in ownership interests in subsidiaries resulting in loss of control

When the Group loses control over a subsidiary, it:

- de-recognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts as at that date when control is lost;
- de-recognises the carrying amount of any non-controlling interests;
- de-recognises the cumulative translation differences recorded in equity;

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.4 Basis of consolidation and business combination (Cont'd)

#### (i) Basis of consolidation (Cont'd)

##### Changes in ownership interests in subsidiaries resulting in loss of control (Cont'd)

- recognises the fair value of the consideration received;
- recognises the fair value of any investment retained;
- recognises any surplus or deficit in profit or loss; and
- re-classifies the Group's share of components previously recognised in other comprehensive income to profit or loss or retained earnings, as appropriate.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I)). The investment retained in the former subsidiary at the date when the control is lost is remeasured to its fair value. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

#### (ii) Business combination

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary comprises:

- the fair values of the assets transferred;
- the liabilities incurred to the former owners of the acquiree;
- the equity interests issued by the Group;
- the fair value of any asset or liability resulting from a contingent consideration arrangement; and
- fair value of any pre-existing equity interest in the subsidiary.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interests in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of acquiree's identifiable net assets.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.4 Basis of consolidation and business combination (Cont'd)

#### (ii) Business combination (Cont'd)

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

### 2.5 Intangible assets

Intangible assets are accounted for using the cost model with the exception of goodwill. Capitalised costs are amortised on a straight-line basis over their estimated useful lives for those considered as finite useful lives. After initial recognition, they are carried at cost less accumulated amortisation and accumulated impairment losses, if any. In addition, they are subject to annual impairment testing, if there are any indicators of impairment. Indefinite life intangibles are not amortised but are subject to annual impairment testing.

Intangible assets are written off where, in the opinion of the Directors, no further future economic benefits are expected to arise.

#### (i) Goodwill

Goodwill on acquisition of subsidiaries on or after 1 January 2010 represents the excess of the consideration transferred, the amount of any non-controlling interests in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired.

Goodwill on acquisition of subsidiaries prior to 1 January 2010 and on acquisition of joint ventures and associate companies represents the excess of the cost of the acquisition over the fair value of the Group's share of the net identifiable assets acquired.

Goodwill on subsidiaries and joint ventures is recognised separately as intangible assets and carried at cost less accumulated impairment losses.

Goodwill on associate companies is included in the carrying amount of the investments.

Gains and losses on the disposal of subsidiaries, joint ventures and associate companies include the carrying amount of goodwill relating to the entity sold, except for goodwill arising from acquisition prior to 1 January 2001. Such goodwill was adjusted against retained profits in the year of acquisition and is not recognised in profit or loss on disposal.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.5 Intangible assets (Cont'd)

#### (ii) Computer software

Costs relating to computer software acquired, which are not an integral part of related hardware, are capitalised and amortised on a straight-line basis over their useful life of 3 years.

### 2.6 Property, plant and equipment and depreciation

Property, plant and equipment, other than construction-in-progress, are stated at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation is computed utilising the straight-line method to allocate the depreciable amount of these assets over their estimated useful lives as follows:

	<u>Years</u>
Leasehold land and improvements	15 – 80
Land improvements and landfill	3 – 20
Building and infrastructures	3 – 30
Golf course	36 – 45
Utilities plant and machinery	3 – 30
Machinery and equipment	2 – 30
Vessels and ferry equipment	4 – 15
Working wharf and reservoir	3 – 30
Transportation equipment and vehicles	3 – 8
Furniture, fixtures and equipment	1 – 10

Construction-in-progress is stated at cost. The accumulated costs will be reclassified to the appropriate property, plant and equipment account when the construction is substantially completed and the asset is ready for its intended use. No depreciation is provided on construction-in-progress.

Costs incurred in the general overhaul of the main engines of vessels during dry docking are capitalised and depreciated over 3 to 5 years.

The cost of property, plant and equipment includes expenditure that is directly attributable to the acquisition of the items. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the asset. Cost may also include transfers from equity of any gains/losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment that have been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the standard of performance of the asset before the expenditure was made, will flow to the Group and the cost can be reliably measured. Other subsequent expenditure is recognised as an expense during the financial year in which it is incurred.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## **2 Accounting policies (Cont'd)**

### **2.6 Property, plant and equipment and depreciation (Cont'd)**

For acquisitions and disposals during the financial year, depreciation is provided from the year of acquisition and to the year before disposal respectively. For acquisitions, less than S\$1,000, they are expensed as expenses in the profit or loss. Fully depreciated property, plant and equipment are retained in the books of accounts until they are no longer in use.

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date as a change in estimates.

### **2.7 Investment properties**

Investment properties consist of buildings and improvements that are held to earn rental yields, including portions of buildings which could not be sold separately, and where an insignificant portion is held for use in the supply of services or for administrative purposes.

The Group applies the cost model. Investment properties are stated at cost less accumulated depreciation, less any impairment in value similar to that for property, plant and equipment. Such costs include the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met; and excludes the costs of day-to-day servicing of an investment property. Depreciation is computed using the straight-line method over the estimated useful lives of the investment properties of 3 – 30 years, as applicable for each investment property.

Investment properties are de-recognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. On disposal or retirement of an investment property, the difference between any disposal proceeds and the carrying amount is recognised in the profit or loss.

The carrying value of investment properties are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets are written down to their recoverable amounts.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by ending of owner-occupation or commencement of an operating lease to another party. Transfers are made from the investment property when, and only when, there is a change in use, evidenced by the commencement of owner-occupation or commencement of development with a view to sell.

### **2.8 Investment in subsidiaries**

In the Company's separate financial statements, shares in subsidiaries are stated at cost less allowance for any impairment losses on an individual subsidiary basis.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.9 Investment in associates

An associate is an entity over which the Group has the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

The Group accounts for its investments in associates using the equity method from the date on which it becomes an associate.

On acquisition of the investment, any excess of the cost of the investment over the Group's share of the net fair value of the investee's identifiable assets and liabilities is accounted as goodwill and is included in the carrying amount of the investment. Any excess of the Group's share of the net fair value of the investee's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the entity's share of the associate's profit or loss in the period in which the investment is acquired.

Under the equity method, the investment in associates are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share of net assets of the associates. The profit or loss reflects the share of results of operations of the associates.

Distributions received from associates reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the associates, the Group recognises its share of such changes in other comprehensive income. Unrealised gains and loss resulting from transaction between the Group and the associate are eliminated to the extent of the interest in the associates.

When the Group's share of losses in associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

After application of the equity method, the Group determines whether it is necessary to recognise an additional impairment loss, on the Group's investment in associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount in profit or loss.

The financial statements of the associate are prepared as of the same reporting date as the Company unless it is impracticable to do so. When the financial statements of an associate used in applying the equity method are prepared as of a different reporting date from that of the Company, adjustments are made for the effects of significant transactions or events that occur between that date and the reporting date of the Company.

Upon loss of significant influence or joint control over the associate, the Group measures the retained interest at fair value. Any difference between the fair value of the aggregate of the retained interest and proceeds from disposal and the carrying amount of the investment at the date the equity method was discontinued is recognised in profit or loss.

The Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would have been required if that associate or joint venture had directly disposed of the related assets or liabilities.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.9 Investment in associates (Cont'd)

When an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

If the Group's ownership interest in an associate is reduced, but the Group continues to apply the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

### 2.10 Inventories

#### (i) Land

Land inventories are carried at the lower of cost and net realisable value. Net realisable value represents the estimated selling price less costs of completion and the estimated costs to be incurred in selling the land.

Cost of land inventories includes cost of land, borrowing costs and other costs directly or indirectly related to the acquisition and development of the land for sale. These costs are capitalised during the period such activities that are necessary to get these assets ready for sale are in progress. Capitalisation of these costs will cease when land development is completed and the land is available for sale.

The costs incurred in the development of the resort and common areas/facilities are allocated proportionally to the saleable parcels of land. Other land development costs incurred are allocated to each parcel of land using the specific identification method.

Land inventories are de-recognised when it has been sold as an integral part with sale of land and no future economic benefit is expected from its disposal. Cost of land infrastructure inventory on sale of land or loss from disposal is recognised in the profit or loss in the year of sale or disposal.

#### (ii) Other inventories

Other inventories are stated at the lower of cost and net realisable value. Cost is generally determined on a first-in, first-out basis, specific identification and average methods. The cost of finished goods and work-in-progress comprises goods held for resale, raw materials, labour and an appropriate portion of overheads. Allowance is made for obsolete, slow moving or defective inventory in arriving at the net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.11 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statements of financial position if, and only if, there is a currently enforceable legal rights to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### 2.12 Financial assets

#### (i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity instruments at fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

#### (ii) Recognition and de-recognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are de-recognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

#### (iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.12 Financial assets (Cont'd)

#### (iii) Measurement (Cont'd)

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on de-recognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the profit or loss.
- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is de-recognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt instrument that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

##### Equity instruments

The Group measures equity instruments, if any, at fair value. Where the Group's management elects to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the de-recognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity instruments measured at FVOCI are not reported separately from other changes in fair value.

The Group will elect to measure these equity instruments at FVOCI for long-term appreciation.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.12 Financial assets (Cont'd)

(iv) Impairment

The Group assesses on a forward-looking basis the ECL associated with its debt instruments not held at FVTPL. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For receivables which are trade in nature, the Group applies a simplified approach in calculating ECL. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

*Significant increase in credit risk*

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.12 Financial assets (Cont'd)

#### (iv) Impairment (Cont'd)

##### *Credit-impaired financial asset*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

##### *Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes, as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

The Group considers that default has occurred when a financial asset is more than 60 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

##### *Measurement of expected credit losses*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for loan commitments and financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by the default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.12 Financial assets (Cont'd)

(iv) Impairment (Cont'd)

*Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in the profit or loss.

(v) Determination of fair value

The fair values of quoted financial assets are based on quoted market prices. If the market for a financial asset is not active, the Group establishes fair value by using valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer's specific circumstances.

### 2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and in bank, short term deposits and other short-term investments with maturities of three months or less at the time of placement or purchase that are subject to insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitment.

### 2.14 Financial liabilities

The Group's financial liabilities include loans and borrowings, debt securities (including bond), obligations under finance leases and trade and other payables.

Financial liabilities are recognised when the Group becomes a party to the contractual agreements of the instrument. All interest-related charges are recognised as an expense in "finance costs" in the profit or loss. Financial liabilities are de-recognised if the Group's obligations specified in the contract expire or are discharged or cancelled.

Borrowings and debt securities

Borrowings and debt securities are recognised initially at fair value of proceeds received less attributable transaction costs, if any. Borrowings and debt securities are subsequently stated at amortised cost which is the initial fair value less any principal repayments.

Any difference between the proceeds (net of transaction costs) and the redemption value is taken to the profit or loss over the period of the borrowings and debt securities using the effective interest method. Interest expense is chargeable on the amortised cost over the period of the borrowings and debt securities using the effective interest method.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## **2 Accounting policies (Cont'd)**

### **2.14 Financial liabilities (Cont'd)**

#### Borrowings and debt securities (Cont'd)

Gains and losses are recognised in the profit or loss when the liabilities are amortised as well as through the amortisation process.

Borrowings and debt securities which are due to be settled within 12 months after the end of reporting period are included in current liabilities in the statements of financial position even though the original terms were for a period longer than 12 months and an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the end of reporting period.

#### Convertible bonds

Convertible bonds that can be converted into share capital where the number of shares issued does not vary with changes in fair value of the bonds are accounted for as compound financial instruments. The gross proceeds are allocated to the equity and liability components, with the equity component being assigned the residual amount after deducting the fair value of the liability component from the fair value of the compound financial instruments.

Subsequent to initial recognition, the liability component of convertible bonds is measured at amortised cost using the effective interest method. The equity component of convertible bonds is not re-measured. When the conversion option is exercised, its carrying amount will be transferred to the share capital. When the conversion option lapses, its carrying amount is transferred to retained profits.

#### Trade and other payables

Trade and other payables are initially measured at fair value, and subsequently measured at amortised cost, using the effective interest method. Finance lease liabilities are measured at initial value less the capital element of lease repayments (see policy on finance leases).

#### Financial guarantees

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

### **2.15 Share capital and treasury shares**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital account.

When any entity within the Group purchases the Company's ordinary shares ("treasury shares"), the consideration paid including any directly attributable incremental cost is presented as a component within equity attributable to the owners of the Company, until they are cancelled, sold or reissued.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.16 Contract liabilities and contract assets

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from customer. If the customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier).

Contract liabilities are recognised as revenue when the Group performs under the contract.

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

Costs to fulfil a contract are capitalised if the costs relate directly to the contract, generate or enhance resources used in satisfying the contract and are expected to be recovered. Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue. An impairment loss is recognised in the profit or loss to the extent that the carrying amount of the capitalised contract costs exceeds the remaining amount of consideration that the Group expects to receive in exchange for the services to which the contract costs relate, less the costs that relate directly to providing the services and that have not been recognised as expense.

### 2.17 Leases

#### (i) The Group as lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of twelve months or less) and leases of low value assets.

For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

#### (a) *Lease liability*

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee. The incremental borrowing rate is defined as the rate of interest that the lessee would have to pay to borrow over a similar term and with a similar security the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.17 Leases (Cont'd)

(i) The Group as lessee (Cont'd)

(a) *Lease liability* (Cont'd)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

Variable lease payments that are not based on an index or a rate are not included as part of the measurement and initial recognition of the lease liability. The Group shall recognise those lease payments in profit or loss in the periods that trigger those lease payments.

For all contracts that contain both lease and non-lease components, the Group has elected to not separate lease and non-lease components and account these as one single lease component.

The lease liabilities are presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured at amortised cost, by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (with a corresponding adjustment to the related right-of-use asset or to profit or loss if the carrying amount of the right-of-use assets has already been reduced to nil) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.17 Leases (Cont'd)

#### (i) The Group as lessee (Cont'd)

##### (a) *Lease liability* (Cont'd)

- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

##### (b) *Right-of-use assets*

The right-of-use assets comprises the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use assets, unless those costs are incurred to produce inventories.

Depreciation on right-of-use asset is calculated using the straight-line method to allocate their depreciable amounts over the shorter period of lease term and useful life of the underlying asset, as follows:

	Years
Office and buildings	2 – 10
Transportation equipment and motor vehicles	1 – 30
Machinery and equipment	1 – 20

If a lease transfers ownership of the underlying asset or the cost of the right-of-use assets reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line item in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.17 Leases (Cont'd)

#### (ii) The Group as lessor

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. If an arrangement contains lease and non-lease components, then the Group applies SFRS(I) 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in SFRS(I) 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received from investment property under operating leases as income on a straight-line basis over the lease term within "revenue" in profit or loss. Rental income from subleased property is recognised within "other income" in profit or loss.

#### *Intermediate lessor in sublease*

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. It assesses the lease classification of a sublease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the recognition exemption, then it classifies the sublease as an operating lease.

When the sublease is assessed as a finance lease, the Group derecognises the right-of-use asset relating to the head lease that it transfers to the sublessee and recognised the net investment in the sublease within "finance lease receivables" in the statement of financial position. Any differences between the right-of-use asset derecognised and the net investment in sublease is recognised in profit or loss. Lease liability relating to the head lease is retained in the statement of financial position, which represents the lease payments owed to the head lessor.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.18 Income tax

Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period.

Based on Government Regulation of the Republic of Indonesia (RI) No. 71/2008 dated 4 November 2008, companies whose main activity is sales of land and buildings, is subject to final tax for each payment on sales of land and factory (including condominiums and cottages) starting January 1, 2009.

Based on Government Regulation of RI No. 5/2002 dated March 23, 2002, each rental payment on the rental of buildings is subject to final tax of 10% from the gross rental amount starting May 1, 2002.

Deferred income tax is recognised for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination, and affects neither accounting or taxable profit or loss and does not give rise to equal taxable and deductible temporary differences at the time of the transaction.

A deferred income tax liability is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures, except where the Group is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

Deferred income tax is measured:

- (i) at the tax rates that are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period; and
- (ii) based on the tax consequence that will follow from the manner in which the Group expects, at the end of reporting period, to recover or settle the carrying amounts of its assets and liabilities.

Current and deferred income taxes are recognised as income or expense in the profit or loss, except to the extent that the tax arises from a business combination or a transaction which is recognised either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.19 Employee benefits

#### (i) Pension obligations

The Group participates in national pension schemes as defined by the laws of the countries in which it operates. As required by Indonesian Law, the Group makes contributions to the defined contributions state pension scheme, Social Security Administering Body – Employment (BPJS Ketenagakerjaan), which are recognised as compensation expense in the same period as the employment that gives rise to the contributions. The BPJS Ketenagakerjaan is responsible for the entire insurance claim relating to accidents incurred by the employees at the work place and for the entire retirement benefit obligations of the related employees under the said state pension scheme.

The Group also makes contributions to a defined contribution pension plan which is administered by legal entity, “Dana Pensiun Lembaga Keuangan Indolife Pensiortama” for certain employees. The contributions are recognised as an expense in the same period as the employment that gives rise to the contributions.

The Company and its subsidiaries operating in Singapore contribute to the Central Provident Fund, a defined contribution plan regulated and managed by the Government of Singapore, which applies to the majority of the employees. The contributions to the national pension scheme are charged to the profit or loss in the period to which the contributions relate.

#### (ii) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. Accrual is made for the estimated liability for unconsumed leave as a result of services rendered by employees up to the reporting period.

#### (iii) Provisions for employee service entitlements

The Group has recognised unfunded employee benefits liability in accordance with Indonesian Labor Law No. 13/2003 dated 25 March 2003 (“the Law”).

The calculation is performed annually by qualified actuaries using the projected unit credit method. When the calculation results in a benefit to the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

Remeasurements of the net defined benefit liability comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest). The Group recognises them immediately in other comprehensive income and all expenses related to defined benefit plans in employee benefits expense in profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.19 Employee benefits (Cont'd)

#### (iii) Provisions for employee service entitlements (Cont'd)

When the benefits of a plan are changed, or when a plan is curtailed, the portion of the changed benefit related to past service by employees, or the gain or loss on curtailment, is recognised immediately in profit or loss when the plan amendment or curtailment occurs.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs. The gain or loss on settlement is the difference between the present value of the defined benefit obligation being settled as determined on the date of settlement and the settlement price, including any plan assets transferred and any payments made directly by the Group in connection with the settlement.

### 2.20 Impairment of non-financial assets

The carrying amounts of the Company's and Group's non-financial assets subject to impairment are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

If it is not possible to estimate the recoverable amount of the individual asset, then the recoverable amount of the cash-generating unit to which the assets belong will be identified.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Goodwill is allocated to those cash-generating units that are expected to benefit from synergies of the related business combination and represent the lowest level within the Company at which management controls the related cash flows.

Individual assets or cash-generating units that include goodwill or other intangible assets with an indefinite useful life or those not yet available for use are tested for impairment at least annually. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount represents the value-in-use based on an internal discounted cash flow calculation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Any impairment loss is charged to the profit or loss unless it reverses a previous revaluation in which case it is charged to equity.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.20 Impairment of non-financial assets (Cont'd)

With the exception of goodwill,

- An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount or when there is an indication that the impairment loss recognised for the asset no longer exists or decreases.
- An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised.
- A reversal of an impairment loss on a revalued asset is credited directly to equity under the heading revaluation surplus. However, to the extent that an impairment loss on the same revalued assets was previously recognised as an expense in the profit or loss, a reversal of that impairment loss is recognised as income in the profit or loss.

An impairment loss in respect of goodwill is not reversed, even if it relates to impairment loss recognised in an interim period that would have been reduced or avoided had the impairment assessment been made at a subsequent reporting or end of reporting period.

### 2.21 Related parties

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and the Company if that person:
  - (i) has control or joint control over the Company;
  - (ii) has significant influence over the Company; or
  - (iii) is a member of the key management personnel of the Company or the Group or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
  - (i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) both entities are joint ventures of the same third party.
  - (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.21 Related parties (Cont'd)

- (b) An entity is related to the Group and the Company if any of the following conditions applies: (Cont'd)
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.
  - (vi) the entity is controlled or jointly controlled by a person identified in (a).
  - (vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
  - (viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

#### Key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the entity. Directors and certain general managers are considered key management personnel.

### 2.22 Revenue recognition

Revenue is recognised when the Group satisfies a performance obligation by transferring a promised good or extending a service to the customer, which is when the customer obtains control of the good or derived benefits from the usage of the service. A performance obligation may be satisfied at a point in time or over time. If a performance obligation is satisfied over time, the revenue is recognised based on the percentage of completion reflecting the progress towards complete satisfaction of that performance obligation. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Revenue is measured based on the consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

#### (a) Sale of goods

Revenue is recognised at a point in time when the control of the goods are transferred, being when the goods are delivered to the customer or collected by customer which signify that all criteria for acceptance have been satisfied.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.22 Revenue recognition (Cont'd)

(b) Services rendered

Revenue from villa operation, ferry services, golfing, use of social facilities, food and beverages and clinic operation is recognised when the services are rendered or when the supplies are delivered to customers.

Revenue from contract service is recognised by reference to the stage of completion of the contract.

Revenue from golf subscription fees is recognised over the period of the subscription while non-refundable golf club membership is recognised as revenue in the period of sale.

(c) Utilities revenue

Revenue from electricity and water is recognised at a point in time upon consumption by the customer.

(d) Rental and service and maintenance

Rental from investment properties is recognised proportionately over the lease term. The service and maintenance is provided evenly over the lease term. The aggregate cost of any incentives as a reduction of rental income is recognised proportionately over the lease term. Rental payments received in advance are recorded as unearned income and amortised proportionately over the lease term using the straight-line method. Deposits received from tenants are recorded as part of other current liabilities.

(e) Telecommunication service

Revenue from telecommunication services is recognised over a period of time as it accrues over the term of the telecommunication contracts. Revenue from telecommunication installation services is recognised when the installations are placed in service. Revenue from network interconnection with other domestic telecommunication carriers is recognised when the time connection takes place.

(f) Sales of land and factory

The Group sells land for development and factory in the ordinary course of business. Revenue is recognised at a point of time when the control over the property had been transferred to the customer, which coincides with the transfer of the legal title, as the satisfaction of the performance obligation.

(g) Interest income

Interest income is recognised on a time-apportioned basis using the effective interest rate method.

(h) Dividends

Dividend income is recognised when the shareholders' right to receive the payment is established.

(i) Government grants

Government grants are recognised at their fair value where there is reasonable assurance that the grant will be received and attaching conditions will be complied with. When the grant relates to an expense item, it is recognised in the profit and loss account over the period necessary to match them on a systematic basis to the costs that it is intended to compensate.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.23 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are recognised as part of the cost of the related asset. Otherwise, borrowing costs are recognised as expenses when incurred. Borrowing costs consist of interests and other financing charges that the Group incurs in connection with the borrowing of funds.

Capitalisation of borrowing costs commences when the activities to prepare the qualifying asset for its intended use are in progress and the expenditures for the qualifying asset and the borrowing costs have been incurred. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets are substantially completed for their intended use.

Foreign exchange differences arising from foreign currency borrowings are capitalised to the extent that they are regarded as an adjustment to interest costs.

### 2.24 Functional currencies

#### Functional and presentation currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements of the Group and the Company are presented in Singapore Dollar, which is also the functional currency of the Company.

### 2.25 Conversion of foreign currencies

#### Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the date of the transactions. Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates as at the end of reporting period are recognised in the profit or loss. However, in the consolidated financial statements, currency translation differences arising from borrowings in foreign currencies and other currency instruments designed and qualifying as net investment hedged and net investment in foreign operations are recognised in other comprehensive income and accumulated in the translation reserve.

When a foreign operation is disposed of or any borrowings forming part of the net investment of the foreign operation are repaid, a proportionate share of the accumulated translation differences is reclassified to profit or loss, as part of the gain or loss on disposal.

Foreign exchange gains and losses that relate to borrowings are presented in the consolidated statement of comprehensive income within "finance costs". Foreign currency gains and losses are reported on a net basis as either other income or other operating expense depending on whether foreign currency movements are in a net gain or net loss position.

Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 2 Accounting policies (Cont'd)

### 2.25 Conversion of foreign currencies (Cont'd)

#### Group entities

The results and financial position of all the entities within the Group that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) Assets and liabilities are translated at the closing rates at the end of the reporting period;
- (ii) Income and expenses for each statements presenting profit or loss and other comprehensive income (i.e. including comparatives) shall be translated at exchange rates at the dates of the transactions; and
- (iii) All resulting currency translation differences are recognised in other comprehensive income and accumulated in the translation reserve.

### 2.26 Operating segments

For management purposes, operating segments are organised based on their products and services which are independently managed by the respective segment managers responsible for the performance of the respective segment under their charge. The segment managers are directly accountable to their chief executive officer who regularly reviews the segment results in order to allocate resources to the segments and to assess segment performance.

## 3 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in conformity with SFRS(I) requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

### 3.1 Judgement used in applying accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that have been made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

#### (a) Going concern

As at 31 December 2023, the Company's current liabilities exceeded its current assets by S\$602,643,000 (31 December 2022 – S\$528,196,000). The Company's net current liabilities position is mainly due to the Company's loan from subsidiaries of S\$459,025,000 (31 December 2022 – S\$416,830,000) and amounts due to its subsidiaries of S\$112,335,000 (31 December 2022 – S\$88,818,000). Excluding the loans and amounts due to its subsidiaries, the Company's net current liabilities was S\$31,283,000 as at 31 December 2023 (31 December 2022 – S\$22,548,000).

The financial statements have been prepared on a going concern basis as the Company is able to meet its current liabilities obligation for the next twelve months from the dividend through its subsidiaries, financing through capital market and the subsidiaries not to recall the loan under the instruction from the Company.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 Significant accounting judgements, estimates and assumptions (Cont'd)

### 3.1 Judgement used in applying accounting policies (Cont'd)

#### (a) Going concern (Cont'd)

The Group incurred a loss after tax of S\$14,859,000 (31 December 2022 – S\$13,754,000) and a total comprehensive loss of S\$9,489,000 (31 December 2022 – S\$62,171,000), and net cash inflows from operating activities of S\$22,218,000 (31 December 2022 – S\$21,952,000) for the year ended 31 December 2023. As at 31 December 2023 in the statement of financial position, the Group has cash and cash equivalents of S\$109,137,000 (31 December 2022 – S\$127,786,000) and net current assets of S\$548,123,000 (31 December 2022 – S\$597,264,000) which is able to support its working capital requirements. The Group has outstanding borrowings of S\$71,174,000 as at 31 December 2023 (31 December 2022 – S\$47,052,000) which is due within 12 months after end of reporting period.

The Group is of the view that the preparation of financial statements on a going concern basis is appropriate having regards to the following reasons:

- the Group is able to continue to raise funds through bank borrowings and capital market;
- the Group has unutilised credit facilities amounting to approximately S\$23.9 million (31 December 2022 – S\$0.2 million); and
- the Group is able to collect its total trade receivables as they fall due to settle its current liabilities.

#### (b) Income taxes (Note 29)

The Group has exposure to income taxes in several jurisdictions. Significant judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

#### (c) Determination of cash-generating units ("CGU")

A CGU is defined as the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. Significant judgement is required by management to determine whether multiple assets should be grouped to form a CGU. Management has identified the appropriate CGU level to be either at the business segment or at the entity level for the purpose of its assessment of impairment in non-financial assets and its investments in subsidiaries and associate companies.

#### (d) Classification of properties as investment properties (Note 7)

The Group classifies certain buildings and improvements as investment properties as these are leased out to earn rental income. The Group has assessed and determined that an insignificant portion of investment properties is held for own use in the supply of building management services and/or for administration purposes.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 Significant accounting judgements, estimates and assumptions (Cont'd)

### 3.1 Judgement used in applying accounting policies (Cont'd)

(e) Classification of property leases as operating lease (as lessor) (Note 32(ii))

The Group has entered into commercial property leases on its investment properties. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases. The Group's operating leases (as lessor) contracted for as of 31 December 2023 is S\$130,506,000 (31 December 2022 – S\$119,209,000).

(f) Determination of functional currency

The Group measures foreign currency translation in the respective currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required to determine the currency that mainly influences sales prices for goods and services and of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services. The functional currencies of the entities in the Group are determined based on management's assessment of the economic environment in which the entities operate and the entities' process of determining sales prices.

(g) Deferred tax assets (Note 10)

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgements are required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and the level of future taxable profits together with future tax planning strategies. The carrying amount of the Group's deferred tax assets as at 31 December 2023 is S\$1,218,000 (31 December 2022 – S\$1,390,000).

(h) Determination of the lease term (Note 22)

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. For leases of premises, plant and equipment, and motor vehicles, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

As at 31 December 2023, no potential future cash outflows have been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 Significant accounting judgements, estimates and assumptions (Cont'd)

### 3.1 Judgement used in applying accounting policies (Cont'd)

(i) Investment in PT Indomobil Sukses Internasional Tbk ("PT IMAS") (Note 9)

Significant judgement is required in determining whether the Group exercise significant influence in PT IMAS, by its ability to participate in the financial and operating decisions of PT IMAS. Judgement is exercised and the Group has assessed that it is able to exercise significant influence through its percentages of voting rights together with its ability to participate in the financial and operating decisions of the Board of Directors and Board of Commissioners. The carrying amount of the Group's investment in PT IMAS as at 31 December 2023 is S\$356,504,000 (31 December 2022 – S\$347,800,000).

(j) Determination of indications of impairment of non-financial assets

Management assesses whether there are any indications of impairment of non-financial assets by reviewing internal and external factors/sources of information like economic, financial, industry, business etc affecting the assets. Where there are mixed indicators, management will exercise their judgement to determine, whether these events or circumstances indicate that the carrying amount may not be recoverable and accordingly the assets will be tested for impairment.

### 3.2 Accounting estimates and assumptions used in applying accounting policies

The accounting estimates and assumptions used are discussed below.

(a) Pension and employee benefits (Note 20)

The determination of the Group's obligation cost for pension and employee benefits liabilities is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turn-over rate, disability rate, retirement age and mortality rate. Actual results that differ from the Group's assumptions are recognised in profit or loss as and when they occurred. While the Group believes that its assumptions are reasonable and appropriate, significant changes in the Group's assumptions may materially affect its estimated liabilities for pension and employee benefits and net employee benefits expense. The carrying amount of employee benefit liabilities as at 31 December 2023 amounts to S\$10,688,000 (31 December 2022 – S\$11,743,000).

If the discount rate decreases by 1% from management's estimates, the present value of the pension and employee benefits obligation will increase by S\$4,219,000 (31 December 2022 – S\$3,355,000).

(b) Depreciation of property, plant and equipment (Note 5)

Property, plant and equipment are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these property, plant and equipment to be within 1 to 80 years. Changes in the expected level of usage and technological development could impact the economic useful lives and residual values of these assets, therefore future depreciation charges could be revised.

The carrying amount of the Group's property, plant and equipment as at 31 December 2023 is S\$158,541,000 (31 December 2022 – S\$129,353,000). If the depreciation of the property, plant and equipment increases/decreases by 10%, the Group's loss for the year will increase/decrease by S\$1,386,000 (31 December 2022 – S\$1,396,000).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 Significant accounting judgements, estimates and assumptions (Cont'd)

### 3.2 Accounting estimates and assumptions used in applying accounting policies (Cont'd)

(c) Depreciation of investment properties (Note 7)

Investment properties are accounted for using the cost model and are depreciated on a straight-line basis over their estimated useful lives and impaired if necessary. Management estimates the useful lives of these investment properties to be within 3 to 30 years. The carrying value of the investment properties are reviewed when events or changes in circumstances indicate the carrying value may not be recoverable.

The carrying amount of the Group's investment properties as at 31 December 2023 is S\$88,625,000 (31 December 2022 – S\$91,019,000). If the depreciation of the investment properties increases/decreases by 10%, the Group's loss for the year will increase/decrease by S\$1,207,000 (31 December 2022 – S\$1,166,000).

(d) Estimation of the incremental borrowing rate ("IBR") (Note 22)

For the purpose of calculating the right-of-use asset and lease liability, an entity applies the interest rate implicit in the lease ("IRILL") and, if the IRILL is not readily determinable, the entity shall use its IBR applicable to the lease asset.

The IBR is the rate of interest that the entity would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use assets in a similar economic environment. For most of the leases whereby the Group is the lessee, the IRILL is not readily determinable. Therefore, the Group estimates the IBR relevant to each lease asset by using observable inputs (such as market interest rate and asset yield) when available, and then making certain lessee specific adjustments (such as a group entity's credit rating). The carrying amount of the Group's right-of-use assets and lease liabilities are disclosed in Notes 6 and 22 respectively.

An increase/decrease of 50 basis points in the estimated IBR will not significantly decrease/increase the Group's right-of-use assets and vice versa, the lease liabilities.

(e) Allowance for decline in market values and obsolescence of land inventories (Note 12) and other inventories (Note 13)

Allowance for decline in market values and obsolescence of inventories is estimated based on the best available facts and circumstances including but not limited to the inventories' own physical conditions, their market selling prices, estimated costs of completion and estimated costs to be incurred for their sales. The provisions are re-evaluated and adjusted as additional information received affects the amount estimated.

The carrying amount of the Group's land inventories and other inventories as at 31 December 2023 are S\$602,398,000 (31 December 2022 – S\$599,396,000) and S\$6,818,000 (31 December 2022 – S\$6,882,000) respectively. If the net realisable value of the other inventories decreases by 10% from management's estimates, the Group's loss for the year will increase by S\$271,000 (31 December 2022 – S\$268,000).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 Significant accounting judgements, estimates and assumptions (Cont'd)

### 3.2 Accounting estimates and assumptions used in applying accounting policies (Cont'd)

(f) Impairment assessment of investment in subsidiaries (Note 8) and associates (Note 9)

Determining whether investments in subsidiaries and associates are impaired requires an estimation of the recoverable amount which is the higher of fair value less costs of disposal and value-in-use. The value-in-use calculation requires the Company to estimate the future cash flows expected from the cash generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Fair value less costs of disposal is determined based on the revalued net assets value. Management has evaluated the recoverability of the investments based on such key assumptions and estimates.

The management noted favourable changes in the indicators that led to the previously recognised impairment loss relating to its investment in subsidiaries and associates and performed reassessment of their recoverable amounts. As such, the Company recognised a reversal of impairment loss of S\$1,654,000 on investment in subsidiaries during the financial year as disclosed in Note 8. For its investment in associates, the Company has recognised a reversal of S\$34,148,000, as disclosed in Note 9 for the year ended 31 December 2023.

(g) Impairment assessment of property, plant and equipment (Note 5) and right-of-use assets (Note 6)

Determining whether property, plant and equipment and right-of-use assets are impaired requires an estimation of the recoverable amount which is the higher of fair value less costs of disposal and value-in-use. The value-in-use calculation requires the Group to estimate the future cash flow expected from the cash generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Fair value less costs of disposal is determined by external valuers based on either the market approach, cost approach or a combination of both.

The carrying amount of the Group's property, plant and equipment and right-of-use assets as at 31 December 2023 is S\$158,541,000 (31 December 2022 – S\$129,353,000) and S\$8,932,000 (31 December 2022 – S\$13,178,000) respectively.

(h) Allowance for expected credit losses ("ECL") of trade and other receivables (Note 14)

Allowances for ECL of receivables are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the ECL calculation, based on the Group's past collection history, existing market conditions as well as forward-looking estimates at each reporting date. Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, current market conditions, assumptions and expectations of future conditions.

For non-trade receivables, the Group and the Company apply the general approach to determine ECL. ECL is measured as an allowance equal to 12-month ECL for stage-1 (low credit risk) assets, or lifetime ECL for stage-2 (deterioration in credit risk) or stage-3 (credit-impaired) assets. An asset moves from stage-1 to stage-2 when its credit risk increases significantly and subsequently to stage-3 as it becomes credit-impaired. In assessing whether credit risk has significantly increased, the Group and the Company consider qualitative and quantitative reasonable and supportable forward-looking information.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 3 Significant accounting judgements, estimates and assumptions (Cont'd)

### 3.2 Accounting estimates and assumptions used in applying accounting policies (Cont'd)

(h) Allowance for expected credit losses ("ECL") of trade and other receivables (Note 14) (Cont'd)

Lifetime ECL represents ECL that will result from all possible default events over the expected life of a financial instrument whereas 12-month ECL represents the portion of lifetime ECL expected to result from default events possible within 12 months after the reporting date.

For receivables which are trade in nature, the Group and the Company apply the simplified approach and uses a provision matrix to calculate ECL. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns. The provision matrix is initially based on the Group and the Company's historical observed default rates.

The Group and the Company will calibrate the matrix to adjust historical credit loss experience with current market conditions and forward-looking information. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECL is a significant estimate. The amount of ECL is sensitive to changes in circumstances and forecast economic conditions.

The net carrying amounts of the Company's and the Group's trade and other receivables as at 31 December 2023 amounted to S\$69,725,000 (31 December 2022 – S\$76,784,000) and S\$46,830,000 (31 December 2022 – S\$45,378,000) respectively. A decrease of 10% in the estimated future cash inflows will not lead to further allowance for impairment on the Group's trade and other receivables.

## 4 Intangible assets

	<b>Goodwill</b>	<b>The Group Computer software</b>	<b>Total</b>	<b>The Company Computer software</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Cost</u>					
At 1 January 2022	1,814	2,088	3,902	676	676
Additions	–	3	3	–	–
Exchange translation differences	–	(8)	(8)	–	–
<b>At 31 December 2022</b>	<b>1,814</b>	<b>2,083</b>	<b>3,897</b>	<b>676</b>	<b>676</b>
Additions	–	27	27	10	10
Reclassification/transfer from property, plant and equipment (Note 5)	–	42	42	–	–
Exchange translation differences	–	(30)	(30)	–	–
<b>At 31 December 2023</b>	<b>1,814</b>	<b>2,122</b>	<b>3,936</b>	<b>686</b>	<b>686</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 4 Intangible assets (Cont'd)

	<b>Goodwill</b>	<b>The Group Computer software</b>	<b>Total</b>	<b>The Company Computer software</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<u>Accumulated amortisation and impairment</u>					
At 1 January 2022	1,814	1,901	3,715	676	676
Amortisation for the year (Note 28)	–	67	67	–	–
Exchange translation differences	–	(8)	(8)	–	–
<b>At 31 December 2022</b>	<b>1,814</b>	<b>1,960</b>	<b>3,774</b>	<b>676</b>	<b>676</b>
Amortisation for the year (Note 28)	–	84	84	2	2
Exchange translation differences	–	(30)	(30)	–	–
<b>At 31 December 2023</b>	<b>1,814</b>	<b>2,014</b>	<b>3,828</b>	<b>678</b>	<b>678</b>
<u>Net book value</u>					
<b>At 31 December 2023</b>	<b>–</b>	<b>108</b>	<b>108</b>	<b>8</b>	<b>8</b>
At 31 December 2022	–	123	123	–	–

a. Impairment test for goodwill

For the purpose of goodwill impairment testing, the carrying amount of goodwill is allocated to the Group's cash-generating units ("CGU") identified according to business segments. The recoverable amount of a CGU was determined based on value-in-use calculation. The value-in-use calculation is a discounted cash flow model using cash flow projections based on financial budgets approved by management covering a five-year period.

b. Amortisation expense included in the profit or loss is analysed as follows:

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
(a) Cost of goods sold	<b>35</b>	34
(b) Other operating expenses (Note 26)	<b>43</b>	31
(c) General and administrative expenses	<b>6</b>	2
	<b>84</b>	67

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5 Property, plant and equipment

	Leasehold land and improvements \$'000	Land improvements and landfill \$'000	Building and infrastructures \$'000	Golf course \$'000	Utilities plant and machinery \$'000	Machinery and equipment \$'000	Vessels and ferry equipment \$'000	Working wharf and reservoir \$'000	Transportation equipment and vehicles \$'000	Furniture, fixtures and equipment \$'000	Construction in progress \$'000	Total \$'000
<b>The Group</b>												
<b>Cost</b>												
At 1 January 2023	92,270	9,420	228,416	25,307	288,137	94,976	56,509	11,698	5,358	25,058	8,003	845,152
Exchange translation differences	-	-	(7)	-	-	(48)	-	-	(1)	(5)	(26)	(87)
Additions	77	-	5,789	-	556	1,815	956	-	245	220	38,322	47,980
Reclassification/transfer to intangible assets (Note 4)	-	-	-	-	-	-	-	-	-	-	(42)	(42)
Reclassification/transfer to investment properties (Note 7)	-	-	1,135	-	1,186	-	-	-	-	-	(7,145)	(4,824)
Disposals	-	-	(339)	-	(253)	(1,426)	(1,015)	-	(608)	(826)	-	(4,467)
<b>At 31 December 2023</b>	<b>92,347</b>	<b>9,420</b>	<b>234,994</b>	<b>25,307</b>	<b>289,626</b>	<b>95,317</b>	<b>56,450</b>	<b>11,698</b>	<b>4,994</b>	<b>24,447</b>	<b>39,112</b>	<b>883,712</b>
<b>Accumulated depreciation</b>												
At 1 January 2023	30,762	9,302	217,954	15,741	274,945	83,601	45,858	10,966	5,244	21,426	-	715,799
Exchange translation differences	-	-	(6)	-	-	(59)	-	-	(2)	(6)	-	(73)
Depreciation for the year (Note 28)	1,793	17	2,726	544	3,005	2,075	2,442	392	212	657	-	13,863
Disposals	-	-	(338)	-	(253)	(1,382)	(1,015)	-	(608)	(822)	-	(4,418)
<b>At 31 December 2023</b>	<b>32,555</b>	<b>9,319</b>	<b>220,336</b>	<b>16,285</b>	<b>277,697</b>	<b>84,235</b>	<b>47,285</b>	<b>11,358</b>	<b>4,846</b>	<b>21,255</b>	<b>-</b>	<b>725,171</b>
<b>Net book value</b>												
At 31 December 2023	59,792	101	14,658	9,022	11,929	11,082	9,165	340	148	3,192	39,112	158,541

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5 Property, plant and equipment (Cont'd)

The Group	Leasehold land and improvements \$'000	Land improvements and landfill \$'000	Building and infrastructures \$'000	Golf course \$'000	Utilities plant and machinery \$'000	Machinery and equipment \$'000	Vessels and ferry equipment \$'000	Working wharf and reservoir \$'000	Transportation equipment and vehicles \$'000	Furniture, fixtures and equipment \$'000	Construction in progress \$'000	Total \$'000
<u>Cost</u>												
At 1 January 2022	96,330	9,420	225,524	25,307	288,036	94,847	56,932	11,698	5,613	24,795	2,712	841,214
Exchange translation differences	-	-	(166)	-	-	7	-	-	(37)	(124)	-	(320)
Additions	-	-	3,058	-	344	568	506	-	59	997	6,609	12,141
Reclassification/transfer to investment properties (Note 7)	(4,060)	-	-	-	80	-	-	-	-	-	(1,318)	(5,298)
Disposals	-	-	-	-	(323)	(446)	(929)	-	(277)	(610)	-	(2,585)
At 31 December 2022	92,270	9,420	228,416	25,307	288,137	94,976	56,509	11,698	5,358	25,058	8,003	845,152
<u>Accumulated depreciation</u>												
At 1 January 2022	29,947	9,281	215,698	15,197	272,105	82,545	44,309	10,573	5,310	21,406	-	706,371
Exchange translation differences	-	-	(84)	-	-	(731)	-	-	(30)	(122)	-	(967)
Depreciation for the year (Note 28)	1,801	21	2,340	544	3,161	2,230	2,478	393	241	751	-	13,960
Reclassification/transfer to investment properties (Note 7)	(986)	-	-	-	-	-	-	-	-	-	-	(986)
Disposals	-	-	-	-	(321)	(443)	(929)	-	(277)	(609)	-	(2,579)
At 31 December 2022	30,762	9,302	217,954	15,741	274,945	83,601	45,858	10,966	5,244	21,426	-	715,799
<u>Net book value</u>												
At 31 December 2022	61,508	118	10,462	9,566	13,192	11,375	10,651	732	114	3,632	8,003	129,353

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5 Property, plant and equipment (Cont'd)

The Company	Furniture fixtures and equipment \$'000	Office equipment \$'000	Leasehold improvements \$'000	Total \$'000
<u>Cost</u>				
At 1 January 2022	126	281	242	649
Additions	–	4	–	4
Disposals	–	(2)	–	(2)
At 31 December 2022	<b>126</b>	<b>283</b>	<b>242</b>	<b>651</b>
Additions	–	<b>102</b>	–	<b>102</b>
<b>At 31 December 2023</b>	<b>126</b>	<b>385</b>	<b>242</b>	<b>753</b>
<u>Accumulated depreciation</u>				
At 1 January 2022	126	266	242	634
Depreciation for the year	–	11	–	11
Disposals	–	(2)	–	(2)
At 31 December 2022	<b>126</b>	<b>275</b>	<b>242</b>	<b>643</b>
Depreciation for the year	–	<b>11</b>	–	<b>11</b>
<b>At 31 December 2023</b>	<b>126</b>	<b>286</b>	<b>242</b>	<b>654</b>
<u>Net book value</u>				
<b>At 31 December 2023</b>	<b>–</b>	<b>99</b>	<b>–</b>	<b>99</b>
At 31 December 2022	–	8	–	8
Depreciation expense			<b>The Group</b>	
			<b>2023</b>	<b>2022</b>
		<b>Note</b>	<b>\$'000</b>	<b>\$'000</b>
Depreciation expense are charged to profit or loss as follows:				
(a) Cost of goods sold			<b>13,221</b>	13,246
(b) Other operating expenses		26	<b>249</b>	318
(c) General and administrative expenses			<b>393</b>	396
		28	<b>13,863</b>	13,960

- (i) As at 31 December 2023, certain property, plant and equipment with carrying value totalling approximately S\$61,282,000 (31 December 2022 – S\$64,152,000) have been pledged as security to banks to secure borrowing and credit facilities for the Group (Note 19(ii)).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 5 Property, plant and equipment (Cont'd)

### (ii) Leasehold land

The details of the leasehold land (“Hak Guna Bangunan”/“HGB”) comprise the following:

HGB	Expiration date	Location
PT Bintan Resort Cakrawala	22 September 2043 (35.85 ha)	Bintan Island
	13 December 2023 (66 ha) <sup>(1)</sup>	
	16 February 2025 (70.72 ha)	
	16 February 2025 (1,559 ha)	
PT Batamindo Investment Cakrawala	17 December 2039 (222.92 ha)	Batam Island
	26 February 2025 (26.81 ha)	
	01 July 2031 (1.50 ha)	
	13 July 2050 (40.38 ha)	
PT Batamindo Executive Village	31 August 2040 (193 ha)	Batam Island
PT Bintan Inti Industrial Estate (246.44 ha excluding land sold)	24 August 2075 (236.92 ha)	Bintan Island
	13 December 2043 (9.52 ha)	
PT Batam Bintan Telekomunikasi	22 June 2035 (94 sqm)	Bintan Island

(1) The Group is in the process of renewing the HGB.

The Group evaluates any indication of impairment in the property, plant and equipment at the end of reporting period. Carrying amount of property, plant and equipment are reviewed for any impairment and possible write-down of carrying amount whenever events or changes in circumstances indicate that their carrying amount exceed its recoverable amount. Management is of the opinion that the carrying amount of all the property, plant and equipment of the Group does not exceed its recoverable amount, and hence no impairment is necessary.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 6 Right-of-use assets

	The Group			The Company		
	Office and buildings \$'000	Transportation equipment and motor vehicles \$'000	Machinery and equipment \$'000	Total \$'000	Office and buildings \$'000	Total \$'000
<u>Costs</u>						
At 1 January 2022	5,982	1,044	–	7,026	2,054	2,054
Exchange translation differences	(203)	14	–	(189)	–	–
Additions	992	192	13,070	14,254	–	–
Terminated/Disposals	(119)	–	–	(119)	–	–
<b>At 31 December 2022</b>	<b>6,652</b>	<b>1,250</b>	<b>13,070</b>	<b>20,972</b>	<b>2,054</b>	<b>2,054</b>
Exchange translation differences	(8)	(1)	–	(9)	–	–
Additions	223	545	–	768	–	–
Derecognition of assets	–	–	–	–	(51)	(51)
Terminated/Disposals	(2,534)	(66)	–	(2,600)	–	–
<b>At 31 December 2023</b>	<b>4,333</b>	<b>1,728</b>	<b>13,070</b>	<b>19,131</b>	<b>2,003</b>	<b>2,003</b>
<u>Accumulated depreciation</u>						
At 1 January 2022	3,270	484	–	3,754	805	805
Exchange translation differences	(34)	(93)	–	(127)	–	–
Depreciation for the year (Note 28)	890	231	3,112	4,233	268	268
Terminated/Disposals	(66)	–	–	(66)	–	–
<b>At 31 December 2022</b>	<b>4,060</b>	<b>622</b>	<b>3,112</b>	<b>7,794</b>	<b>1,073</b>	<b>1,073</b>
Exchange translation differences	(4)	(1)	–	(5)	–	–
Depreciation for the year (Note 28)	882	280	3,734	4,896	248	248
Derecognition of assets	–	–	–	–	21	21
Terminated/Disposals	(2,420)	(66)	–	(2,486)	–	–
<b>At 31 December 2023</b>	<b>2,518</b>	<b>835</b>	<b>6,846</b>	<b>10,199</b>	<b>1,342</b>	<b>1,342</b>
<u>Net book value</u>						
<b>At 31 December 2023</b>	<b>1,815</b>	<b>893</b>	<b>6,224</b>	<b>8,932</b>	<b>661</b>	<b>661</b>
At 31 December 2022	2,592	628	9,958	13,178	981	981

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 6 Right-of-use assets (Cont'd)

	Note	The Group	
		2023 \$'000	2022 \$'000
Depreciation expense			
Depreciation expense are charged to profit or loss as follows:			
(a) Cost of goods sold		3,866	3,258
(b) Other operating expenses	26	1,030	975
	28	<b>4,896</b>	<b>4,233</b>

Leased properties are located in Singapore and Indonesia.

Information about the Group's leasing activities are disclosed in Note 32.

The Group evaluates any indication of impairment in the right-of-use assets at the end of reporting period. Carrying amount of right-of-use assets are reviewed for any impairment and possible write-down of carrying amount whenever events or changes in circumstances indicate that their carrying amount exceed its recoverable amount. Management is of the opinion that the carrying amount of all the right-of-use assets of the Group does not exceed its recoverable amount, and hence no impairment is necessary.

## 7 Investment properties

	The Group	
	2023 \$'000	2022 \$'000
<u>Cost</u>		
Balance at beginning of year	573,982	603,141
Additions	4,859	3,425
Disposals	(90)	(37,661)
Transfer from property, plant and equipment (Note 5)	4,824	5,298
Translation differences	(9)	(221)
Balance at end of year	<b>583,566</b>	<b>573,982</b>
<u>Accumulated depreciation</u>		
Balance at beginning of year	482,963	508,074
Depreciation for the year (Note 28)	12,072	11,661
Disposals	(87)	(37,661)
Transfer from property, plant and equipment (Note 5)	-	986
Translation differences	(7)	(97)
Balance at end of year	<b>494,941</b>	<b>482,963</b>
Net book value	<b>88,625</b>	<b>91,019</b>
Rental income (Note 28)	33,502	32,920
Direct operating expenses arising from investment property that generated rental income (Note 28)	(10,023)	(9,349)
Gross profit arising from investment properties	<b>23,479</b>	<b>23,571</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 7 Investment properties (Cont'd)

The Group has adopted the cost model under SFRS(I) 1-40 Investment Property for its investment properties.

Investment properties of the Group are held mainly for use by tenants under operating leases.

The following are the details of the investment properties of the Group:

<u>Description and location</u>	<u>Gross Area (approximately)</u>
Factories, dormitories, commercial complex, housing and villas in Batamindo Industrial Park, Bintan Inti Industrial Estate, Southlinks Country Club and Bintan Resorts situated at Batam and Bintan Island	1,371,305 sqm

The fair value of the investment properties situated at Batam and Bintan islands as at 31 December 2023 is S\$555,602,000 (31 December 2022 – S\$539,084,000). The fair values are mostly determined by independent professional valuers, KJPP Rengganis Hamid & Rekan using generally accepted approaches to valuation, namely, income approach, the market approach and the cost approach. The Group's investment properties as at 31 December 2023 and 31 December 2022 are classified under level 3 of the fair value hierarchy.

## 8 Subsidiaries

	<b>The Company</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
<u>Unquoted equity shares, at cost</u>		
Balance on beginning of year	<b>1,216,014</b>	1,213,370
Addition <sup>(1)</sup>	<b>219</b>	2,644
Deconsolidation of subsidiary <sup>(2)</sup>	<b>(281)</b>	–
Balance at end of year	<b>1,215,952</b>	1,216,014
Amount due from subsidiary being net extension of investment	<b>14,973</b>	14,973
	<b>1,230,925</b>	1,230,987
<u>Less: Accumulated impairment</u>		
Balance on beginning of year	<b>99,338</b>	104,358
Impairment loss <sup>(3)</sup>	<b>537</b>	–
Reversal of impairment loss <sup>(4)</sup>	<b>(1,654)</b>	(5,020)
Balance at end of year	<b>98,221</b>	99,338
Net investment	<b>1,132,704</b>	1,131,649

(1) In 2023, the Company and its wholly-owned subsidiary, PT Buana Megawisata ("PT BMW") have increased its investment in PT Gallant Lagoi Abadi ("PT GLA"), a wholly-owned subsidiary of the Group, by way of a capital injection of IDR2,393,500,000 (approximately S\$210,181) and IDR9,574,000,000 (approximately S\$839,560). With the capital injection, PT GLA has an issued and paid-up capital of IDR15,300,000,000 (approximately S\$1,403,725).

On 30 August 2023, the Company and its subsidiary, PT Batamindo Investment Cakrawala ("PT BIC") incorporated a wholly-owned subsidiary in Indonesia known as PT Batamindo Sukses Makmur ("PT BSM") with shareholding of 1% and 99% respectively. PT BSM has an initial issued and paid-up capital of IDR10,000,000,000 (approximately S\$887,276).

In 2022, the Company has undertaken an internal restructuring by acquiring 9,800 shares, representing 98% in the share capital of PT Batamindo Solar Perkasa and PT Batamindo Green Perkasa from its subsidiary, PT Batamindo Investment Cakrawala. The restructuring is to streamline the Group's corporate structure for improved business planning.

(2) Please refer to Note 8(a) for details of deconsolidation of subsidiary.

(3) In 2023, the Company recognised an impairment loss of S\$537,000 for its direct shareholding PT Bintan Inti Industrial Estate (31 December 2022 – S\$Nil) as the recoverable amounts were lower than the cost of investment.

(4) In 2023, the Company recognised a reversal of impairment loss of S\$1,076,000 for its direct shareholding PT Bintan Resort Cakrawala (31 December 2022 – S\$1,819,000) and S\$578,000 in Singapore-Bintan Resort Holdings Pte Ltd (31 December 2022 – S\$3,201,000) as the favourable changes in indicators led to higher recoverable amounts.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8 Subsidiaries (Cont'd)

At the reporting date, the Group carried out a review of the recoverable amounts of its investment in subsidiaries in view of the continuing losses in certain subsidiaries. The recoverable amount was determined based on the higher of fair value less costs of disposal and value-in-use calculation. The value-in-use calculation is a discounted cash flow model using cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond five-year period were extrapolated using the estimated growth rates stated below. Fair value less costs of disposal is determined based on revalued net assets value.

Key assumptions used for value-in-use calculations:

	<u>2023</u>	<u>2022</u>
Gross margin <sup>(1)</sup>	<b>36.82% to 44.28%</b>	27.24% to 44.59%
Growth rate <sup>(2)</sup>	<b>3.00%</b>	3.05% to 3.54%
Discount rate <sup>(3)</sup>	<b>10.70% to 13.48%</b>	11.94% to 14.70%

(1) Budgeted gross margin.

(2) Weighted average growth rate used to extrapolate cash flows beyond the budgeted period.

(3) Pre-tax discount rate applied to the pre-tax cash flows projections.

Management has determined that a subsidiary is considered material to the Group if the Group's share of its net tangible assets represents 20% or more of the Group's consolidated net tangible assets, or if the Group's share of its revenue accounts for 10% or more of the Group's consolidated revenue.

Details of the Group's material subsidiaries at the end of the reporting period are set out below:

Name	Place of incorporation/ and operation	Proportion of ownership interest and voting rights held by the Group		Principal activities
		2023	2022	
		%	%	
<u>Directly held</u>				
PT Batamindo Investment Cakrawala ("PT BIC") <sup>(1)</sup>	Indonesia	<b>99.99</b>	99.99	Development and management of industrial estate
<u>Held by Verizon Resorts Limited</u>				
PT Buana Megawisatama ("PT BMW") <sup>(2)</sup>	Indonesia	<b>99.99</b>	99.99	Wholesaler of hotels, resorts and golf courses, resort development activities and business management consultancy

(1) Audited by Mirawati Sensi Idris, a member firm of Moore Global.

(2) Audited by Johan Malonda Mustika & Rekan.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8 Subsidiaries (Cont'd)

At the end of the reporting period, the Company has other subsidiaries that are not material to the Group. The principal activities of these subsidiaries are summarised as follows:

Principal activities	Place of incorporation/ and operation	Number of subsidiaries	
		2023	2022
Data Centers	Singapore	1	1
Data Centers	Indonesia	1	1
Development, operation and management of industrial park/resorts/residential/country club	Indonesia	18	18
Dormant	Singapore	1	1
General warehousing	Singapore	1	1
Growing of food crops	Singapore	1	1
Growing of food crops	Indonesia	1	1
Investment holding	British Virgin Islands	3	3
Investment holding	Malaysia	1	1
Investment holding	Seychelles	1	1
Investment holding	Singapore	3	3
Management and consultancy services	Singapore	2	2
Provision of ferry services	Singapore	1	1
Solar energy	Indonesia	1	1
Telecommunication services	Indonesia	1	1
		<b>37</b>	<b>37</b>

There are no subsidiaries that have non-controlling interests that are material to the Group.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 8 Subsidiaries (Cont'd)

### 8(a) Deconsolidation of subsidiary

During the year, the Company and its wholly-owned subsidiary, PT Buana Megawisata ("PT BMW") shareholding in PT Gallant Lagoi Abadi ("PT GLA") was diluted from 20% to 9% and 80% to 36% respectively as PT GLA has allotted a total of 1,222 new shares amounting to aggregate cash consideration of IDR 18,696,600,000 (approximately S\$1,640,041) to PT Agung Propindo Nusantara. Consequentially, the Group lost its control to govern PT GLA's financial and operating policies while retains only significant influence as a result of loss of power to cast majority of votes at PT GLA level.

Details of the deconsolidation are as follows:

	<b>PT GLA</b>
	<b>\$'000</b>
<u>Carrying amounts of net asset over which control was lost</u>	
Non-current assets	877
Current assets	456
Add: Realisation of reserves	59
Net assets derecognised	<u>1,392</u>
<u>Loss on deconsolidation</u>	
Investment retained at fair value	1,338
Cash consideration	-
	<u>1,338</u>
Less: Net assets derecognised	<u>1,392</u>
	<u>54</u>
<u>Effects on cash flows of the Group</u>	
Cash consideration paid	-
Cash and cash equivalents in subsidiary deconsolidated	1
Net cash outflows on deconsolidation	<u>(1)</u>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 9 Associates

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
<u>Carrying amount</u>				
Beginning of the year	<b>358,502</b>	389,347	<b>347,826</b>	381,948
Additions during the year <sup>(1)</sup>	<b>1,338</b>	126	–	26
Reversal/(Impairment loss) <sup>(2)</sup>	–	–	<b>34,148</b>	(34,148)
	<b>359,840</b>	389,473	<b>381,974</b>	347,826
Group's share of:				
– Profit	<b>7,794</b>	19,078	–	–
– Other comprehensive income/(loss)	<b>4,747</b>	(48,976)	–	–
– Total comprehensive income/(loss)	<b>12,541</b>	(29,898)	–	–
Dividend received during the year	<b>(1,862)</b>	(1,013)	–	–
Group's share of other reserves	<b>(1,558)</b>	(60)	–	–
End of the year	<b>368,961</b>	358,502	<b>381,974</b>	347,826

(1) The Group's investment of 45% in PT Gallant Lagoi Abadi ("PT GLA") after the Group's shareholding in PT GLA was diluted from 100% to 45%. Please refer to Note 8(a) for more details.

In 2022, the Company has subscribed 26,000 new shares, representing 26% of the share capital of Pacific Medco Solar Energy Pte. Ltd. for S\$26,000.

(2) In 2023, the Company recognised a reversal of impairment loss of S\$34,148,000 in PT IMAS, which was previously impaired.

At the reporting date, the Group and the Company carried out a review of the recoverable amounts of its investment in its material associates, PT IMAS in view of the market capitalisation below the carrying book value. The recoverable amount was determined based on the higher of fair value less costs of disposal and value-in-use calculation. The value-in-use calculation is a discounted cash flow model using cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond five-year period were extrapolated using the estimated growth rates stated below. Fair value less costs of disposal is determined based on the revalued net assets value.

Key assumptions used for value-in-use calculations:

	2023	2022
Gross margin <sup>(1)</sup>	<b>18.85%</b>	20.28%
Growth rate <sup>(2)</sup>	<b>3.50%</b>	3.50%
Discount rate <sup>(3)</sup>	<b>13.89%</b>	17.17%

(1) Budgeted gross margin.

(2) Weighted average growth rate used to extrapolate cash flows beyond the budgeted period.

(3) Pre-tax discount rate applied to the pre-tax cash flows projections.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 9 Associates (Cont'd)

The Group has two (31 December 2022 – two) associates that are material and a number of associates that are individually immaterial to the Group. All of these associates are accounted for using the equity method in these consolidated financial statements. Set out below are the associates which are material to the Group.

Name	Place of incorporation/ and operation	Proportion of ownership interest and voting rights held by the Group		Principal activities
		2023	2022	
		%	%	
<u>Directly held</u>				
PT Indomobil Sukses Internasional (“PT IMAS”) <sup>(1)</sup>	Indonesia	<b>49.49</b>	49.49	Investment holding of an Integrated automotive group
<u>Held by GO Marine Offshore Investments Pte Ltd</u>				
BOMC Pte Ltd (“BOMC”) <sup>(2)</sup>	Singapore	<b>26.00</b>	26.00	General warehousing and Offshore marine services

(1) Audited by Purwantono, Sungkoro & Surja, a member of Ernst & Young Global Limited.

(2) Audited by Philip Liew & Co. BOMC’s financial year end is 30 June and this was based on the reporting date established when it was incorporated. BOMC has been equity accounted for in the consolidated financial statements based on the results ended 30 June 2023 (2022 – 30 June 2022) and appropriate adjustments are made for the effects of significant transactions between 30 June 2023 and 31 December 2023 (2022 – 30 June 2022 and 31 December 2022).

Shares held in PT IMAS have been pledged as securities for bank borrowings (Note 19 (ii)).

As at 31 December 2023, the quoted value of the Group’s interest in PT IMAS, which is listed on the Indonesia Stock Exchange, was S\$235,457,000 (31 December 2022 – S\$147,506,000).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 9 Associates (Cont'd)

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements.

<b>31 December 2023</b>	<b>PT IMAS \$'000</b>	<b>BOMC \$'000</b>	<b>Other individually immaterial associates \$'000</b>	<b>Total \$'000</b>
Current assets	2,118,172	31,021		
Non-current assets	3,241,676	28,036		
Current liabilities	(2,451,232)	(28,223)		
Non-current liabilities	(1,587,601)	(10)		
Net assets	1,321,015	30,824		
Attributable to investee's shareholder	1,077,972	30,824		
Attributable to non-controlling interests	243,043	-		
Revenue	2,550,682	27,695		
Profit after tax	68,070	1,723	189	69,982
Other comprehensive income/(loss)	66,963	(242)	(36)	66,685
Total comprehensive income	135,033	1,481	153	136,667
Dividend received from associate during the year	1,742	-	120	1,862

The unrecognised share of losses of associate for the year is S\$382,000 and the cumulative unrecognised share of loss of associate is S\$2,204,000.

Reconciliation of the Group's material associates' summarised financial information to the carrying amount of the interest in the associates recognised in the Group's consolidated financial statements are as follows:

<b>31 December 2023</b>	<b>PT IMAS \$'000</b>	<b>BOMC \$'000</b>	<b>Total \$'000</b>
Net assets attributable to investee's shareholder	1,077,972	30,824	1,108,796
Proportion of the Group's ownership interest in the associate	49.49%	26%	-
	533,488	8,014	541,502
Adjustment <sup>(1)</sup>	(176,984)	-	(176,984)
Goodwill	-	1,747	1,747
Carrying amount of the Group's interest in the associate	356,504	9,761	366,265
Add: Carrying value of individually immaterial associates, in aggregate			2,696
Carrying value of Group's interest in associates			368,961

(1) Adjusted for differences in accounting policies between the Group and the associates.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 9 Associates (Cont'd)

31 December 2022	PT IMAS \$'000	BOMC \$'000	Other individually immaterial associates \$'000	Total \$'000
Current assets	1,939,815	24,934		
Non-current assets	2,987,252	28,073		
Current liabilities	(2,594,208)	(23,664)		
Non-current liabilities	(1,117,728)	–		
Net assets	1,251,131	29,343		
Attributable to investee's shareholder	974,379	29,343		
Attributable to non-controlling interests	240,752	–		
Revenue	2,384,200	28,158		
Profit after tax	52,977	4,832	233	58,042
Other comprehensive income/(loss)	39,982	(2,576)	–	37,406
Total comprehensive income	92,959	2,256	233	95,448
Dividend received from associate during the year	743	–	270	1,013

The unrecognised share of losses of associate for the year is S\$247,000 and the cumulative unrecognised share of loss of associate is S\$1,822,000.

Reconciliation of the Group's material associates' summarised financial information to the carrying amount of the interest in the associates recognised in the Group's consolidated financial statements are as follows:

31 December 2022	PT IMAS \$'000	BOMC \$'000	Total \$'000
Net assets attributable to investee's shareholder	974,379	29,343	1,003,722
Proportion of the Group's ownership interest in the associate	49.49%	26%	–
	482,220	7,629	489,849
Adjustment <sup>(1)</sup>	(134,420)	–	(134,420)
Goodwill	–	1,747	1,747
Carrying amount of the Group's interest in the associate	347,800	9,376	357,176
Add: Carrying value of individually immaterial associates, in aggregate			1,326
Carrying value of Group's interest in associates			358,502

(1) Adjusted for differences in accounting policies between the Group and the associates.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 10 Deferred taxation

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset deferred income tax assets against deferred income tax liabilities and when the deferred income taxes relate to the same fiscal authority. The amounts, determined after appropriate offsetting, are shown on the statements of financial position as follows:

	The Group	
	2023 \$'000	2022 \$'000
<b>Deferred tax assets</b>		
To be recovered within one year	-	-
To be recovered after one year	<b>1,218</b>	1,390
	<b>1,218</b>	1,390
<b>Deferred tax liabilities</b>		
To be recovered within one year	-	-
To be recovered after one year	<b>2,039</b>	2,237
	<b>2,039</b>	2,237

	Balance at 1 January 2023 \$'000	Credited/ (charged) to profit or loss (Note 29) \$'000	Charged to OCI for the year \$'000	Effect on changes of tax rate \$'000	Foreign exchange differences \$'000	Balance at 31 December 2023 \$'000
<b>The Group</b>						
<b>Deferred tax assets</b>						
Estimated liability for employee service entitlements	1,105	32	(152)	-	(5)	980
Property, plant and equipment	84	(61)	-	-	(1)	22
Lease transaction	201	15	-	-	-	216
	<b>1,390</b>	<b>(14)</b>	<b>(152)</b>	<b>-</b>	<b>(6)</b>	<b>1,218</b>
<b>Deferred tax liabilities</b>						
Fiscal loss net of expired tax loss	(42)	(1)	-	-	-	(43)
Estimated liability for employee service entitlements	536	(39)	6	-	(2)	501
Property, plant and equipment	(2,734)	229	-	-	5	(2,500)
Lease transaction	3	-	-	-	-	3
	<b>(2,237)</b>	<b>189</b>	<b>6</b>	<b>-</b>	<b>3</b>	<b>(2,039)</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 10 Deferred taxation (Cont'd)

The Group	Balance at 1 January 2022 \$'000	Credited/ (charged) to profit or loss (Note 29) \$'000	Charged to OCI for the year \$'000	Effect on changes of tax rate \$'000	Foreign exchange differences \$'000	Balance at 31 December 2022 \$'000
<b>Deferred tax assets</b>						
Estimated liability for employee service entitlements	1,345	(87)	(23)	–	(130)	1,105
Property, plant and equipment	248	(140)	–	–	(24)	84
Lease transaction	14	188	–	–	(1)	201
Others	20	(20)	–	–	–	–
	<u>1,627</u>	<u>(59)</u>	<u>(23)</u>	<u>–</u>	<u>(155)</u>	<u>1,390</u>
<b>Deferred tax liabilities</b>						
Fiscal loss net of expired tax loss	–	(42)	–	–	–	(42)
Estimated liability for employee service entitlements	864	(214)	(71)	–	(43)	536
Property, plant and equipment	(3,243)	336	–	–	173	(2,734)
Lease transaction	2	1	–	–	–	3
	<u>(2,377)</u>	<u>81</u>	<u>(71)</u>	<u>–</u>	<u>130</u>	<u>(2,237)</u>

### Unrecognised taxable temporary differences associated with investments in subsidiaries and associates

Deferred income tax liabilities of S\$127,700,000 (31 December 2022 – S\$120,200,000) have not been recognised for withholding and other taxes that will be payable on the earnings of overseas subsidiaries and associates, as the timing of remittance is controlled by the holding company.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 11 Other non-current assets

	Note	The Group		The Company	
		2023	2022	2023	2022
		\$'000	\$'000	\$'000	\$'000
Other receivables	(i)	453	96	–	–
Prepayment		6,922	4,945	–	–
Deposits		545	543	149	148
Other investments	(ii)	–	–	267	–
		<b>7,920</b>	<b>5,584</b>	<b>416</b>	<b>148</b>

(i) Other receivables from third party and related party represent non-trade balances and are unsecured, interest-free and repayable on demand.

(ii) The other investments relate to the Company's 9% shareholding in PT GLA. Please refer to Note 8(a).

Other non-current assets are denominated in the following currencies:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	165	148	149	148
Indonesian Rupiah	7,684	5,436	267	–
Euro Dollar	71	–	–	–
	<b>7,920</b>	<b>5,584</b>	<b>416</b>	<b>148</b>

## 12 Land inventories

	The Group	
	2023	2022
	\$'000	\$'000
Land for sale, at cost	<b>602,398</b>	599,396

As at 31 December 2023, PT BMW's land inventories comprise 14,017 ha (31 December 2022 – 14,016 ha) of land with HGB certificates. Part of the land's HGB amounting to 12,247 ha (31 December 2022 – 12,247 ha) will expire in 30 years while the HGB of 1,770 ha (31 December 2022 – 1,769 ha) has been extended and renewed for a period of 80 years since the certificates were issued.

As at 31 December 2023, land inventories of PT Surya Bangun Pertiwi ("PT SBP") comprise 3,710 ha (31 December 2022 – 3,745 ha) with Building Use Right ("HGB"). Part of the land's HGB for 1,250 ha (31 December 2022 – 1,276 ha) will expire in September 2026 and 1,999 ha (31 December 2022 – 2,008 ha) will expire in December 2043 while the HGB of 461 ha (31 December 2022 – 461 ha) has been extended and renewed for period of 80 years since the certificate was issued.

29 HGB certificates comprise 5,700 ha for a carrying amount of S\$97,573,000 under land inventories have been pledged as collateral for bank borrowings (Note 19(ii)).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 13 Other inventories

	The Group	
	2023 \$'000	2022 \$'000
At cost		
Fuel and lubrication oil	2,016	2,406
Spare part, consumables and supplies	6,473	6,468
Others	1,042	689
Allowance for inventories obsolescence	(2,713)	(2,681)
	<b>6,818</b>	<b>6,882</b>

Movements in the allowance for inventories obsolescence are as follows:

The Group	The Group	
	2023 \$'000	2022 \$'000
Beginning of the year	2,681	2,479
Allowance for the year (Note 28)	32	202
End of the year	<b>2,713</b>	<b>2,681</b>

## 14 Trade and other receivables

	Note	The Group		The Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade receivables					
– related parties		148	108	–	–
– external parties		35,392	35,418	–	–
Expected credit losses of trade receivables		(3,680)	(3,918)	–	–
Net trade receivables	(i)	<b>31,860</b>	31,608	–	–
Other receivables:					
Refundable deposits		1,372	1,050	1,323	1,001
Amounts due from subsidiaries		–	–	65,025	72,519
Amounts due from related parties		2,264	2,404	1	1
Lease receivables		252	327	548	710
Others		9,584	9,110	2,535	2,285
		<b>13,472</b>	12,891	<b>69,432</b>	76,516
Expected credit losses of other receivables		(1,346)	(1,346)	–	–
Net other receivables	(ii)	<b>12,126</b>	11,545	<b>69,432</b>	76,516
At amortised cost	(i) + (ii)	<b>43,986</b>	43,153	<b>69,432</b>	76,516
Prepayments		2,844	2,225	293	268
Total		<b>46,830</b>	45,378	<b>69,725</b>	76,784
Non-current		163	244	354	530
Current		<b>46,667</b>	45,134	<b>69,371</b>	76,254
		<b>46,830</b>	45,378	<b>69,725</b>	76,784

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14 Trade and other receivables (Cont'd)

Trade and other receivables (excluding prepayment) are denominated in the following currencies:

Note	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	<b>16,245</b>	18,312	<b>69,432</b>	76,516
Indonesian Rupiah	<b>21,105</b>	18,173	-	-
United States Dollar	<b>6,636</b>	6,668	-	-
(i) + (ii)	<b>43,986</b>	43,153	<b>69,432</b>	76,516

The ageing of trade and other receivables past due but not impaired is as follows:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Past due 1 – 30 days	<b>2,123</b>	1,605	-	-
Past due 31 – 60 days	<b>1,010</b>	646	-	-
Past due more than 60 days	<b>24,857</b>	23,617	<b>2,535</b>	2,285
	<b>27,990</b>	25,868	<b>2,535</b>	2,285

Trade and other receivables that were neither past due nor impaired amounting to S\$18,840,000 (31 December 2022 – S\$19,510,000) and S\$67,190,000 (31 December 2022 – S\$74,499,000) for the Group and the Company respectively were related to a wide range of customers for whom there was no recent history of default. Trade and other receivables that were past due but not impaired related to a number of customers that have a good track record with the Group. Based on historical default rates, the Group believes that no allowance for expected credit losses is necessary in respect of trade and other receivables not past due or past due over 60 days. These receivables are mainly arising from customers that have a good credit record with the Group.

The movements in allowance for expected credit losses on doubtful receivables in respect of trade and other receivables were as follows:

	The Group			
	Allowance for expected credit losses on trade receivables		Allowance for expected credit losses on other receivables	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
At 1 January	<b>3,918</b>	5,105	<b>1,346</b>	1,347
Allowance during the year	<b>238</b>	344	-	-
Allowance written off during the year	<b>(299)</b>	(1,269)	-	-
Reversal of allowance during the year	<b>(185)</b>	(208)	-	-
Translation differences	<b>8</b>	(54)	-	(1)
At 31 December	<b>3,680</b>	3,918	<b>1,346</b>	1,346

The reversal of allowance was due to the doubtful debts recovered from receivables which were previously provided for.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 14 Trade and other receivables (Cont'd)

The average credit period for external and related parties on sales of goods and services rendered varies among the Group's businesses in which it is not more than 60 days and do not bear any interest. The credit quality of trade and other receivables is assessed based on credit policies established by the individual Group businesses. Significant financial difficulties of a trade and other debtor, probability that the trade and other debtor will enter bankruptcy or delinquency in payment are considered indicators that the trade and other debtor is impaired and an allowance for expected credit losses is made based on the estimated irrecoverable amount determined by reference to past default experience.

The non-trade amounts due from subsidiaries represents (i) interest bearing loans at 2.5% per annum + 3 months SIBOR rate (31 December 2022 – 2.5% per annum + 3 month SIBOR rate), and (ii) advanced payment of expenses which are non-interest bearing. These balances are unsecured and repayable on demand.

The non-trade amounts due from related parties represents mainly advanced payment of expenses, is non-interest bearing, unsecured and repayable on demand.

The related parties are corporate entities that are subject to common control or common significant influence by a shareholder of the Company.

## 15 Cash and cash equivalents

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash at banks and on hand	28,474	48,065	639	882
Time deposits	62,120	64,002	50	50
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>90,594</b>	112,067	<b>689</b>	932
Restricted bank balances	18,543	15,719	–	–
<b>Cash and cash equivalents in the statement of financial position</b>	<b>109,137</b>	127,786	<b>689</b>	932

Restricted bank balances are cash at banks maintained in debt service reserve accounts which are restricted to payment for principal and interest on bank borrowings.

- (i) The fixed deposits have an average maturity of 1 day to 365 days (31 December 2022 – 1 day to 365 days) from the end of the financial year with the following effective interest rates:

	The Group and the Company	
	2023	2022
Singapore Dollar	0.05% – 5.00%	0.05% – 5.00%
United States Dollar	1.00%	1.00%
Indonesian Rupiah	2.90% – 6.50%	1.90% – 6.50%

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 15 Cash and cash equivalents (Cont'd)

(ii) The cash and cash equivalents are denominated in the following currencies:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	6,453	11,225	519	578
United States Dollar	56,671	49,520	170	354
Indonesian Rupiah	46,013	67,041	-	-
	<b>109,137</b>	<b>127,786</b>	<b>689</b>	<b>932</b>

## 16 Share capital

	The Group and the Company			
	No. of ordinary share		Amount	
	2023	2022	2023	2022
			\$'000	\$'000
<b>Issued and fully paid:</b>				
At 1 January and 31 December	<b>5,463,605,283</b>	5,463,605,283	<b>1,963,457</b>	1,963,457

All issued ordinary shares are fully paid. There is no par value for these ordinary shares.

The holders of ordinary shares (excluding treasury shares) are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. All shares rank equally with regard to the Company's residual assets.

## 17 Treasury shares

	The Group and the Company			
	No. of ordinary share		Amount	
	2023	2022	2023	2022
			\$'000	\$'000
At 1 January and 31 December	<b>450,000</b>	450,000	<b>(50)</b>	(50)

On 9 March 2018, the Group purchased 450,000 ordinary shares by way of market acquisition at a net consideration of S\$50,000 and these were presented as a component within shareholders' equity.

## 18 Reserves

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Capital reserve	80,000	80,000	80,000	80,000
Translation reserve	(69,303)	(65,659)	-	-
Hedging reserve	7,728	3,097	-	-
Fair value reserve	48,354	44,890	-	-
Other reserves	1,923	2,562	-	-
	<b>68,702</b>	<b>64,890</b>	<b>80,000</b>	<b>80,000</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 18 Reserves (Cont'd)

### The Group and the Company

The capital reserve comprises equity component of convertible bonds issued for the acquisition of PT IMAS.

### The Group

The translation reserve comprises foreign currency differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from the Group's presentation currency.

The hedging reserve comprises the effective portion of the share of associate's cumulative change (net of taxes) in the fair value of cash flow hedging instruments related to hedged transactions.

Fair value reserve comprises the share of associate's cumulative net change in the fair value of equity investments designated at FVOCI.

Other reserves comprise of the differences arising from the change in equity of subsidiaries, effects of transaction with non-controlling interests, actuarial losses from employee benefits and share of associate's other reserves.

Movement of the Group's reserves is disclosed in the Consolidated Statement of Changes in Equity.

## 19 Borrowings

	Note	The Group		The Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
<b>Current</b>					
Loans from subsidiaries	(i)	–	–	459,025	416,830
Bank loans	(ii)	71,174	47,052	24,443	21,297
		<b>71,174</b>	47,052	<b>483,468</b>	438,127
<b>Non-current</b>					
Bank loans	(ii)	311,177	328,726	216,978	247,465
Total borrowings		<b>382,351</b>	375,778	<b>700,446</b>	685,592
Represented by:					
Secured		380,534	372,709	241,421	268,762
Unsecured		1,817	3,069	459,025	416,830
		<b>382,351</b>	375,778	<b>700,446</b>	685,592

(i) Loans from subsidiaries are unsecured and repayable on demand. Interest is charged at the interest rate of 5.50% to 9.75% (31 December 2022 – 2.94% to 9.08%) per annum.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19 Borrowings (Cont'd)

(ii) Loans from banks

(a) PT Bank Mandiri (Persero) Tbk

On 24 June 2021, the Company and its subsidiary, PT Batamindo Investment Cakrawala ("PT BIC"), have obtained term loan facilities and revolving loan facilities of up to an aggregate principal amount of US\$295,000,000 with a tenure of 5 years ("the New Facilities"), arranged by PT Bank Mandiri (Persero) Tbk. The New Facilities bear annual interest which is the aggregate of a margin of 4.35% per annum and the applicable 3 months LIBOR. The proceeds of the New Facilities were used to refinance in full the Group's syndicated bank borrowings ("the Existing Facilities"), funding the debt service reserve account of the New Facilities and payment of fees, costs and expenses relating to the New Facilities. The terms and conditions of the New Facilities are substantially similar to those of the Existing Facilities.

Key terms of the New Facilities are as follows:

The New Facilities are secured by the Company's and its subsidiaries' assets as follows:

- (1) Mortgage of certain land titles of PT Batamindo Investment Cakrawala ("PT BIC"), PT Bintan Inti Industrial Estate ("PT BIIE"), PT Bintan Resort Cakrawala ("PT BRC"), PT Buana Megawisatama ("PT BMW") and PT Surya Bangun Pertiwi ("PT SBP");
- (2) Charge on bank accounts of PT BIC, PT BIIE, PT BRC, PT BMW, PT SBP, Bintan Resort Ferries Private Limited ("BRF") and the Company;
- (3) Fiducia Security over insurance claim proceeds, receivables and movable assets of PT BIC and PT BIIE; and
- (4) Pledge of shares of PT IMAS.

Certain covenants as below, among others, need to be maintained with as at end of the testing period:

- (1) Net Debt to Adjusted EBITDA shall not exceed between 4.50 to 9.00;
- (2) Debt Service Cover shall not be less than 1.25;
- (3) Minimum Net Worth shall not at any time be less than S\$650 million;
- (4) Cash balance shall not at any time be less than S\$50 million; and
- (5) Security cover shall not be less than 3.25:1.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19 Borrowings (Cont'd)

(ii) Loans from banks (Cont'd)

(b) PT Bank Mandiri (Persero) Tbk, ING Bank N.V., Singapore Branch and Lembaga Pembiayaan Ekspor Indonesia

On 5 June 2023, the Company's subsidiary, PT Batamindo Investment Cakrawala ("PT BIC"), obtained secured term loan facility of up to an aggregate principal amount of US\$40 million and revolving loan facility of up to an aggregate principal amount of US\$15 million ("the New Facilities"), arranged by PT Bank Mandiri (Persero) Tbk, ING Bank N.V., Singapore Branch and Lembaga Pembiayaan Ekspor Indonesia ("Indonesia Eximbank"). The secured term facility, with a tenure of 5 years, bears annual interest of a margin of 3% and the applicable CME Term SOFR. The revolving facility, with a tenure of 12 months subject to extension, bears annual interest at the rate determined by the lenders upon utilisation. The proceeds of the New Facilities were used to finance the construction of the new factories in Batamindo Industrial Park and for working capital.

Key terms of the facilities are as follows:

The facilities are secured by PT BIC's assets as follows:

- (1) Second mortgage of certain land titles; and
- (2) Sharing of the certain assets of PT BIC secured in loan (a) under the inter-creditor agreement.

Certain covenants as below, among others, need to be maintained with as at end of the testing period:

- (1) Gross Debt to Adjusted EBITDA shall not exceed 4.00;
- (2) Debt Service Cover shall not be less than 1.25;
- (3) Current Ratio shall not be less than 1.25;
- (4) Cash balance shall not at any time be less than S\$50 million; and
- (5) Security cover shall not be less than 1.1:1.

(c) United Overseas Bank Limited

The Group has obtained a credit facility which has a maximum facility amounting to S\$15,000,000. The facility bears an interest of 6.25% (31 December 2022 – 5.49%) per annum and is reprised every month. The facility is secured by first priority legal mortgage and collateral deed of covenant in relation to the vessels (Note 5). The facility is repayable on demand and is included under current liabilities.

On 16 April 2020, the Group has obtained a temporary bridging loan ("TBL") facility which has a maximum facility amounting to S\$5,000,000. The facility bears an interest of 2% (31 December 2022 – 2%) per annum and the principal is repayable from June 2021 until May 2025.

As at 31 December 2023, the Group and the Company have observed the covenants of the abovementioned loans in (a) and (b) as stipulated in the respective loan agreements.



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19 Borrowings (Cont'd)

The borrowings of the Group and the Company exposed to interest rates are as follows:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Current portion:				
– at floating interest rate	<b>69,924</b>	45,802	483,468	438,127
– at fixed interest rate	<b>1,250</b>	1,250	–	–
	<b>71,174</b>	47,052	483,468	438,127
Non-current portion:				
– at floating interest rate	<b>310,610</b>	326,907	216,978	247,465
– at fixed interest rate	<b>567</b>	1,819	–	–
	<b>311,177</b>	328,726	216,978	247,465
	<b>382,351</b>	375,778	700,446	685,592

The borrowings are denominated in the following currencies:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Singapore Dollar	<b>16,617</b>	17,869	<b>136,333</b>	134,245
United States Dollar	<b>365,734</b>	357,909	<b>313,011</b>	299,114
Indonesian Rupiah	–	–	<b>251,102</b>	252,233
	<b>382,351</b>	375,778	<b>700,446</b>	685,592

The borrowing repayment maturity profile is as follows:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Repayable:				
Not later than one year	<b>71,174</b>	47,052	<b>483,468</b>	438,127
Later than one year and not later than five years	<b>311,177</b>	328,726	<b>216,978</b>	247,465
	<b>382,351</b>	375,778	<b>700,446</b>	685,592

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 19 Borrowings (Cont'd)

The effective interest rates per annum of the total borrowings at the end of reporting period are as follows:

	The Group		The Company	
	2023 Per annum	2022 Per annum	2023 Per annum	2022 Per annum
Short term loans	<b>6.25% to 7.97%</b>	5.49%	-	-
Bank loans	<b>2.00% to 9.75%</b>	2.00% to 7.95%	<b>9.08% to 9.75%</b>	4.57% to 7.95%
Loan from subsidiaries	-	-	<b>5.50% to 9.75%</b>	2.94% to 9.08%

## 20 Employee benefits liabilities

	The Group	
	2023 \$'000	2022 \$'000
Balance at beginning of year	<b>11,743</b>	15,876
Net employee benefits expense for the year (Note 28)	<b>2,101</b>	875
Actual benefit payments	<b>(2,393)</b>	(2,356)
Foreign exchange difference	<b>(58)</b>	(1,445)
Income recognised in other comprehensive income	<b>(705)</b>	(1,207)
Balance at end of year	<b>10,688</b>	11,743

The Group's subsidiaries in Indonesia have defined benefit plan covering substantially all their eligible permanent employees. The Group's subsidiaries recognised employee benefits liabilities in accordance with the Republic of Indonesia Labor Law No. 13/2003 dated 25 March 2003 ("the law") or Job Creation Law No. 11/2020 (the "Cipta Kerja Law"/"UUCK"), and Government regulation Number 35 Year 2021 (PP 35/2021).

The Group also provides provisions for employee service entitlements in order to meet the minimum benefits as required with the above law. The provisions, which are unfunded, are estimated using the projected unit credit method based on actuarial calculation performed by independent actuaries, independent actuaries, PT Dayamandiri Dharmakonsilindo, PT Sentra Jasa Aktuaria, PT Bumi Dharma Akuaria and PT Sienco Aktuarindo Utama which considered the following assumptions:

Discount rate	:	6.50% to 6.90% (31 December 2022 – 5.00% to 7.40%) per annum
Mortality rate	:	Tabel Mortalita Indonesia (TMI-IV) – 2019 (2022 – Tabel Mortalita Indonesia (TMI-IV) – 2019)
Annual salary increases	:	6.00% to 10.00% (31 December 2022 – 8.00% to 12.50%) per annum
Normal retirement age	:	55 years
Turnover rates	:	5% up to age 25 and reducing linearly up to 0% at the age of 45 and thereafter
Disability rate	:	10% of mortality rate

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 20 Employee benefits liabilities (Cont'd)

The net employee benefits expense comprises the following:

	The Group	
	2023 \$'000	2022 \$'000
Current service cost	1,066	44
Interest expense	664	683
Excess payment	371	148
	<b>2,101</b>	875
Net present value of employee benefits liabilities	<b>10,688</b>	11,743

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

The Group	Change in assumption		Impact on defined benefit obligation			
	2023	2022	Changes in assumption		Changes in assumption	
			2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Discount rate	1%	1%	Decrease by: 4,219	3,355	Increase by: (4,219)	(3,355)
Salary growth rate	1%	1%	Increase by: 4,282	3,419	Decrease by: (4,282)	(3,419)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculation the defined benefit liability recognised in the statement of financial position.

The expected maturity analysis of undiscounted pension is as follows:

	Less than a year \$'000	Between 1-2 years \$'000	Between 2-5 years \$'000	Over 5 years \$'000	Total \$'000
<b>2023</b>					
Defined benefit obligation	<b>3,991</b>	<b>1,216</b>	<b>3,610</b>	<b>14,373</b>	<b>23,190</b>
2022					
Defined benefit obligation	3,775	1,290	3,561	15,785	24,411

The weighted average duration of the defined benefit obligation is 9.82 years (31 December 2022: 10.16 years).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 21 Other non-current liabilities

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Deposits from tenants	<b>32,369</b>	29,674	<b>54</b>	54

Deposits from tenants represent deposits equivalent to certain months' factory and dormitory rentals, hawkers' centres, and deposits for electricity supply, in accordance with the provisions of their respective lease agreements. These deposits will be refunded or applied against rentals due at the end of the lease period.

The other non-current liabilities are denominated in the following currencies:

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Singapore Dollar	<b>18,312</b>	18,582	<b>54</b>	54
Indonesian Rupiah	<b>14,057</b>	11,092	<b>-</b>	-
	<b>32,369</b>	29,674	<b>54</b>	54

## 22 Lease liabilities

	The Group		The Company	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Undiscounted lease payments due:				
- Year 1	<b>6,109</b>	6,107	<b>618</b>	585
- Year 2	<b>3,930</b>	5,315	<b>618</b>	585
- Year 3	<b>816</b>	3,794	<b>412</b>	585
- Year 4	<b>377</b>	729	<b>-</b>	391
- Year 5	<b>302</b>	260	<b>-</b>	-
- Year 6 and onwards	<b>236</b>	264	<b>-</b>	-
	<b>11,770</b>	16,469	<b>1,648</b>	2,146
Less: Unearned interest cost	<b>(1,248)</b>	(2,051)	<b>(233)</b>	(231)
Lease liabilities	<b>10,522</b>	14,418	<b>1,415</b>	1,915
Presented as:				
Current liabilities	<b>5,462</b>	5,130	<b>491</b>	487
Non-current liabilities	<b>5,060</b>	9,288	<b>924</b>	1,428
	<b>10,522</b>	14,418	<b>1,415</b>	1,915

The Group's lease liabilities are secured by the lessors' title to the leased assets.

Total cash outflows for all leases in the year amounted to S\$5,992,000 (31 December 2022 – S\$4,622,000).

Interest expense on lease liabilities of S\$1,057,000 (31 December 2022 – S\$1,137,000) is recognised within "finance costs" in the consolidated statement of comprehensive income.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 22 Lease liabilities (Cont'd)

Rental expenses not capitalised in lease liabilities but recognised within “other operating expenses” in consolidated statement of comprehensive income are set out below:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Short-term leases	167	139	7	7
Leases of low value assets	62	25	5	5

As at 31 December 2023, the Group's short-term lease commitments at the reporting date under non-cancellable operating leases contracted for but not recognised as liabilities, are as follows:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Short term leases:				
– Not later than one year	–	–	–	–
Leases of low value assets:				
– Not later than one year	234	23	5	5
– Later than one year and not later than five years	53	45	4	9
	<b>287</b>	68	<b>9</b>	14

Further information about leases and the financial risk management are disclosed in Note 32 and Note 36, respectively.

Lease liabilities are denominated in the following currencies which are the respective Group entities' functional currencies:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Singapore Dollar	1,523	2,420	1,415	1,915
Indonesian Rupiah	8,999	11,998	–	–
	<b>10,522</b>	14,418	<b>1,415</b>	1,915

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 23 Trade and other payables

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade				
Trade payables	7,230	6,261	-	-
Non-trade				
Accruals	11,597	11,256	1,589	973
Other payables	98,981	93,528	71,361	74,312
Interest payable on bank loan	2,307	1,973	1,823	1,600
Amounts due to related parties	5,616	5,030	-	-
Amounts due to subsidiaries	-	-	112,335	88,818
	<b>125,731</b>	<b>118,048</b>	<b>187,108</b>	<b>165,703</b>

Trade payables are generally on 30 days (31 December 2022 – 30 days) credit terms.

Other payables represent non-trade advances received in relation to the Group's joint venture development of sustainable farming and tourism related projects in Bintan and amount due for the on-going development of Lagoi Bay in Bintan Resort. Other payables are unsecured, non-interest bearing and repayable on demand.

Amounts due to related parties are mainly from the Group's associate companies and the Company's ultimate holding company, which balances carried forward from the past Group's restructuring, capital contribution and outstanding for expenses incurred, are unsecured, non-interest bearing and repayable on demand.

Amounts due to subsidiaries are non-trade, unsecured, non-interest bearing and repayable on demand.

Trade and other payables are denominated in the following currencies:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Singapore Dollar	25,747	27,451	25,446	17,166
Indonesian Rupiah	26,387	14,084	78,555	66,408
United States Dollar	73,597	76,513	83,107	82,129
	<b>125,731</b>	<b>118,048</b>	<b>187,108</b>	<b>165,703</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24 Revenue

Disaggregated revenue information

The Group	For the financial year ended 31 December 2023				
	Industrial park	Utilities	Resort operations	Property development	Total
Segments	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Type of goods or services</b>					
Rendering of services	6,091	–	813	–	6,904
Electricity and water supply	–	104,933	–	–	104,933
Sale of residential units/land	1,522	–	–	–	1,522
Golf revenue	3,043	–	–	–	3,043
Ferry services	–	–	21,746	–	21,746
Telecommunication	–	5,327	–	–	5,327
Others	1,435	–	1,909	–	3,344
<b>Revenue from contracts with customers</b>					
Rental income	12,091	110,260	24,468	–	146,819
	35,017	–	806	24	35,847
<b>Total revenue</b>	<b>47,108</b>	<b>110,260</b>	<b>25,274</b>	<b>24</b>	<b>182,666</b>
<b>Timing of revenue recognition</b>					
At a point in time	12,091	104,933	23,596	–	140,620
Over time	–	5,327	872	–	6,199
<b>Revenue from contracts with customers</b>					
	12,091	110,260	24,468	–	146,819
<b>The Group</b>					
<b>For the financial year ended 31 December 2022</b>					
Segments	Industrial park	Utilities	Resort operations	Property development	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Type of goods or services</b>					
Rendering of services	5,529	–	601	–	6,130
Electricity and water supply	–	103,956	–	–	103,956
Sale of residential units/land	303	–	–	–	303
Golf revenue	1,920	–	–	–	1,920
Ferry services	–	–	13,744	–	13,744
Telecommunication	–	4,837	–	–	4,837
Others	1,168	–	1,446	–	2,614
<b>Revenue from contracts with customers</b>					
Rental income	8,920	108,793	15,791	–	133,504
	32,779	–	479	74	33,332
<b>Total revenue</b>	<b>41,699</b>	<b>108,793</b>	<b>16,270</b>	<b>74</b>	<b>166,836</b>
<b>Timing of revenue recognition</b>					
At a point in time	8,920	103,956	15,194	–	128,070
Over time	–	4,837	597	–	5,434
<b>Revenue from contracts with customers</b>					
	8,920	108,793	15,791	–	133,504



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 24 Revenue (Cont'd)

Disaggregated revenue information (Cont'd)

The Group operates mainly in Indonesia. Accordingly, revenue by geographical market is not presented.

Contract liabilities

	<b>The Group</b>	
	<b>31 December</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Contract liabilities	<b>80,284</b>	60,380
Non-current	<b>73,524</b>	56,153
Current	<b>6,760</b>	4,227

Contract liabilities relate primarily to advance consideration received from customers and unearned revenue arising from contract with customers.

The contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer. The significant changes in the contract liabilities during the year are as follows:

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue recognised that was included in contract liabilities at the beginning of the year	<b>4,227</b>	3,391
Increases due to cash received, excluding amounts recognised as revenue during the year	<b>(24,131)</b>	(38,938)

## 25 Other income/(expenses)

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Exchange gain/(loss), net	<b>11,346</b>	(4,566)
Gain on disposal of property, plant and equipment	<b>16</b>	11
Interest income	<b>2,696</b>	2,754
Other telecommunication income	<b>656</b>	706
Bank charges	<b>(379)</b>	(297)
Rental income	<b>176</b>	176
Loss on deconsolidation of subsidiary	<b>(54)</b>	-
Others	<b>(669)</b>	75
	<b>13,788</b>	(1,141)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 26 Other operating expenses

	The Group	
	2023	2022
	\$'000	\$'000
Communication	247	240
Amortisation of intangible assets (Note 4)	43	31
Depreciation of property, plant and equipment (Note 5)	249	318
Depreciation of right-of-use assets (Note 6)	1,030	975
Entertainment	667	493
Insurance	319	321
Marketing and promotion expenses	1,276	1,109
Professional fees	1,042	609
Rental	248	187
Repairs and maintenance	2,992	2,258
Representation costs	809	588
Staff costs and related expenses	10,650	9,244
Taxes and licences	1,332	1,352
Transport and travelling	1,724	1,415
Packing and delivery	316	288
Printing and stationeries	125	125
Security expenses	299	263
Utilities	753	708
Office supplies	68	59
Others	3,275	3,684
	<b>27,464</b>	<b>24,267</b>

## 27 Finance costs

	The Group	
	2023	2022
	\$'000	\$'000
Interest expense on:		
– Bank loans	36,204	25,727
– Lease liabilities	1,057	1,137
– Others	254	448
	<b>37,515</b>	<b>27,312</b>

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 28 Loss for the year

Other than as disclosed elsewhere in these financial statements, loss for the year has been arrived after charging/ (crediting):

	Note	The Group	
		2023 \$'000	2022 \$'000
Audit fee paid to:			
– auditor of the Company		406	393
– other auditors		559	559
Non-audit fees paid to:			
– auditor of the Company		13	41
– other auditors		200	61
Allowance for inventories obsolescence	13	32	202
Amortisation of intangible assets	4	84	67
Depreciation of property, plant and equipment	5	13,863	13,960
Depreciation of right-of-use assets	6	4,896	4,233
Depreciation of investment properties	7	12,072	11,661
		30,831	29,854
Directors' fees		505	405
Salaries and related costs (including CPF contributions)			
– Directors		4,220	3,937
– Employees		29,253	25,676
		33,473	29,613
Foreign exchange (gain)/loss, net		(11,346)	4,566
Net allowance/(reversal) for impairment of receivables			
– Trade receivables		53	136
– Other receivables		–	–
		53	136
Operating lease rentals – office equipment and office premises		556	503
Employees' benefits expenses	20	2,101	875
Rental income (included in revenue) – investment properties	7	(33,502)	(32,920)
Operating expenses arising from investment properties that generated rental income	7	10,023	9,349

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 29 Taxation

	The Group	
	2023 \$'000	2022 \$'000
Current taxation		
Indonesia corporate statutory tax rate of 22% (2022 – 22%)	16,749	15,063
Singapore corporate statutory tax rate of 17% (2022 – 17%)	468	358
Under provision in prior years	31	2
	<b>17,248</b>	15,423
Deferred taxation		
Indonesia tax	(175)	(22)
	<b>17,073</b>	15,401

The tax expense on the results of the financial year varies from the amount of income tax determined by applying the Singapore statutory rate of income tax on the Group's loss as a result of the following:

	The Group	
	2023 \$'000	2022 \$'000
Profit before tax	2,214	1,647
Tax using Singapore tax rate of 17% (2022-17%)	376	280
Difference of tax effects on gross income subject to final tax instead of corporate tax	4,518	9,262
Effect of different tax rates in foreign jurisdictions	3,671	3,255
Effects of results of equity-accounted investees presented net of tax	(1,325)	(3,243)
Under provision in respect of prior year	31	2
Tax effects on non-taxable income <sup>(1)</sup>	(1,280)	(126)
Tax effects on non-deductible expenses <sup>(2)</sup>	13,787	5,654
Deferred tax on temporary differences not recognised	(2,705)	317
	<b>17,073</b>	15,401

(1) Included in non-taxable income relates mainly to job support scheme from government and dividend income.

(2) Included in non-deductible expenses relates mainly to depreciation of non-qualifying assets and interest expenses.

### Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	The Group	
	2023 \$'000	2022 \$'000
Tax losses	121,224	133,519
Tax effect on tax losses	26,669	29,374

Tax losses relate mainly to losses generated by Indonesian subsidiaries of the Company.

Under Indonesian taxation laws, tax losses may be carried forward for a period of five (5) years. The tax authorities may assess the Company within ten (10) years from the date the tax was payable. The tax loss will expire between 2024 and 2028.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 30 Other comprehensive income

Disclosure of tax effects relating to each component of other comprehensive income:

The Group	2023			2022		
	Before tax \$'000	Tax expense \$'000	Net of tax \$'000	Before tax \$'000	Tax expense \$'000	Net of tax \$'000
Currency translation differences	(27)	-	(27)	(613)	-	(613)
Realisation of reserve	59	-	59	-	-	-
Actuarial gain	591	-	591	1,172	-	1,172
Share of other comprehensive income/(loss) of associates	4,747	-	4,747	(48,976)	-	(48,976)
	<b>5,370</b>	<b>-</b>	<b>5,370</b>	<b>(48,417)</b>	<b>-</b>	<b>(48,417)</b>

## 31 Loss per share

### The Group

The basic loss per share is calculated based on the consolidated losses attributable to owners of the parent divided by the weighted average number of shares in issue of 5,463,155,283 (31 December 2022 – 5,463,155,283) shares during the financial year.

Fully diluted loss per share was calculated on the consolidated losses attributable to owners of the parent divided by 5,463,155,283 (31 December 2022 – 5,463,155,283) ordinary shares.

The calculation of basic and diluted loss per share is based on:

- (i) Loss used in calculating loss per share

	The Group	
	2023 \$'000	2022 \$'000
Loss attributable to owners of the Company	<b>14,826</b>	13,607

- (ii) Weighted average number of ordinary shares used in calculating loss per share

	The Group	
	2023 '000	2022 '000
Weighted average number of ordinary shares for basic loss and diluted loss per share	<b>5,463,155</b>	5,463,155

There are 250,000,000 shares granted under the conversion right of the convertible bonds that have not been included in the calculation of diluted loss per share because they are anti-dilutive.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32 Leases

### (i) The Group as lessee

The Group has lease contracts for various assets, including office premises, warehouse, land, ticketing counter, passenger lounge, transportation equipment, motor vehicles and machinery and equipment used in its operations. For certain leases, the Group is restricted from entering into any sublease arrangements.

- Lease of properties generally have lease terms from 2 to 10 years.
- Transportation equipment and motor vehicles generally have lease terms from 1 to 30 years.
- Machinery and equipment generally have lease terms from 1 to 20 years.

There are no externally imposed covenants on property lease arrangements.

Information regarding the Group's right-of-use assets and lease liabilities are disclosed in Notes 6 and 22, respectively.

### (ii) The Group as lessor

#### *Investment property*

Operating leases, in which the Group is the lessor, relate to investment property (Note 7) owned by the Group with lease terms of between 2 to 16 years (2022 - between 2 to 16 years). The operating lease contract contains market review clauses in the event that the lessee exercises its option to renew. The lessee does not have an option to purchase the property at the expiry of the lease period.

These leases are classified as operating lease because the risk and rewards incidental to ownership of the assets are not substantially transferred. The unguaranteed residual values do not represent a significant risk to the Group, as they relate to properties which are located in locations with constant increase in value over the last 5 years. The Group has not identified any indications that this situation will change.

The Group's revenue from rental income received on the investment properties are disclosed in Note 7.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32 Leases (Cont'd)

### (ii) The Group as lessor (Cont'd)

#### *Investment property (Cont'd)*

The future minimum rental receivable under non-cancellable operating leases contracted for the reporting date are as follows:

	<b>The Group</b>	
	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>
Undiscounted lease payments to be received:		
– Year 1	<b>31,340</b>	29,477
– Year 2	<b>25,886</b>	25,308
– Year 3	<b>21,762</b>	18,120
– Year 4	<b>13,240</b>	14,431
– Year 5	<b>9,407</b>	8,675
– Year 6 and onwards	<b>28,871</b>	23,198
	<b>130,506</b>	119,209

The leases on the Group's premises on which rentals are received will expire between 31 March 2027 and not later than 31 March 2039 (2022 - between 31 March 2027 and not later than 31 March 2039). The current rent receivable on the lease ranges from S\$6,480 to S\$138,255 per month (2022 - from S\$6,480 to S\$138,255 per month) which are subject to revision on renewal of lease agreement.

### (ii) The Group and Company as intermediate lessor of sublease

#### *Office premise*

The Company has sub-leased its office premise to its subsidiary and non-related party for monthly lease payments. For the sublet of this office premise, the sublease period forms a major part of the remaining head lease terms, and accordingly, the sublease is classified as finance lease.

The leases on the Company's premises on which rentals are received will expire on 31 August 2026 (2022 - 31 August 2026). The current rent receivable on the lease ranges from S\$8,789 to S\$10,304 per month (2022 - from S\$8,325 to S\$9,760 per month).



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 32 Leases (Cont'd)

(ii) The Group and Company as intermediate lessor of sublease (Cont'd)

*Office premise (Cont'd)*

The following sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Undiscounted lease payments to be received:				
– Year 1	<b>105</b>	100	<b>229</b>	217
– Year 2	<b>105</b>	100	<b>229</b>	217
– Year 3	<b>70</b>	100	<b>153</b>	217
– Year 4	–	67	–	145
– Year 5	–	–	–	–
– Year 6 and onwards	–	–	–	–
	<b>280</b>	367	<b>611</b>	796

During the year, the Group recognised interest income on lease receivable of S\$21,175 (31 December 2022 – S\$20,866) in consolidated statement of comprehensive income.

## 33 Commitments

Repair and maintenance contracted for at end of year but not recognised as liabilities is as follows:

	The Group	
	2023 \$'000	2022 \$'000
Expenditure contracted in respect of property, plant and equipment and future repair and maintenance	<b>42,409</b>	8,096

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 34 Related parties transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the direct and indirect ability to control the party, jointly control or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

In addition to the related party information disclosed elsewhere in the financial statements, there were significant related party transactions which were carried out in the normal course of business on terms agreed between the parties as follows:

	The Group	
	2023 \$'000	2022 \$'000
<b>(a) With associates</b>		
Sales of goods and services	(1,177)	(2,052)
Purchase of goods and services	301	4
Dividend received	(1,862)	(1,013)
<b>(b) With related companies and associates of ultimate holding company</b>		
Broker and guarantee fee	70	70
Management fees paid	247	403
Human resource management fee	206	207
Interest income	(4,499)	(3,268)
Purchase of goods and services	37,059	58,578
Sales of goods and services	(47,569)	(88,947)
Dividend received	(25,559)	(7,882)
<b>(c) Remuneration of Directors of the Company and key management personnel of the Group</b>		
Salaries and other short-term employee benefits	4,220	3,937

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 35 Segment information

### (a) Operating segments

For management purposes, the Group is organised into the following reportable operating segments as follows:

a. Industrial parks segment

Industrial parks segment is engaged in activities consisting of the development, construction, operation and maintenance of industrial properties in Batam Island and Bintan Island together with the supporting infrastructure activities.

b. Utilities segment

Utilities segment is engaged in the activities of provision of electricity and water supply, telecommunication services and waste management and sewage treatment services to the industrial parks in Batam Island and Bintan Island as well as resorts in Bintan Island.

c. Resort operations segment

The resort operations segment is engaged in the activities of provision of tourism and travel related services and supporting services in Bintan Resort including ferry services and ferry terminal operations, workers accommodation, security, fire-fighting services and facilities required by resort operators.

d. Property development segment

Property development segment is engaged in the activities of developing industrial and resort properties in Batam Island and Bintan Island.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 35 Segment information (Cont'd)

### (a) Operating segments (Cont'd)

The Group	Industrial Parks \$'000	Utilities \$'000	Resort Operations \$'000	Property Development \$'000	Corporate \$'000	Adjustment/ Elimination \$'000	Total \$'000
<b>31 December 2023</b>							
<b>Operating revenue</b>							
External sales	47,108	110,260	25,274	24	-	-	182,666
Inter segment sales	-	84	-	123	-	(207)	-
Total revenue	47,108	110,344	25,274	147	-	(207)	182,666
<b>Segment results</b>							
Profit/(loss) from operations	17,479	38,001	(2,235)	(18,671)	(2,639)	-	31,935
Share of associates' results							7,794
Finance costs							(37,515)
Profit before taxation							2,214
Taxation							(17,073)
Loss after taxation							(14,859)
<b>Assets and liabilities</b>							
Segment assets	103,140	119,502	27,318	664,852	5,360	-	920,172
Associates							368,961
Unallocated corporate assets							110,355
Total assets							1,399,488
Segment liabilities	51,459	107,775	9,608	13,159	85,363	-	267,364
Unallocated corporate liabilities							384,390
Total liabilities							651,754
<b>Other material information</b>							
Capital expenditure	49,107	1,855	1,700	75	102	-	52,839
Depreciation and amortisation	12,783	10,902	3,654	3,315	261	-	30,915
Allowance for inventories obsolescence	32	-	-	-	-	-	32
Gain on disposal of property, plant and equipment	5	-	7	4	-	-	16
Allowance for expected credit losses of trade and other receivables	169	-	(116)	-	-	-	53
Loss on deconsolidation of subsidiary	-	-	-	-	54	-	54

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 December 2023

**35 Segment information (Cont'd)****(a) Operating segments (Cont'd)**

<b>The Group</b>	<b>Industrial Parks \$'000</b>	<b>Utilities \$'000</b>	<b>Resort Operations \$'000</b>	<b>Property Development \$'000</b>	<b>Corporate \$'000</b>	<b>Adjustment/ Elimination \$'000</b>	<b>Total \$'000</b>
<b>31 December 2022</b>							
<b>Operating revenue</b>							
External sales	41,699	108,793	16,270	74	-	-	166,836
Inter segment sales	-	77	21	131	-	(229)	-
Total revenue	41,699	108,870	16,291	205	-	(229)	166,836
<b>Segment results</b>							
Profit/(loss) from operations	11,497	23,847	(4,889)	(9,794)	(10,780)	-	9,881
Share of associates' results							19,078
Finance costs							(27,312)
Profit before taxation							1,647
Taxation							(15,401)
Loss after taxation							(13,754)
<b>Assets and liabilities</b>							
Segment assets	91,689	104,671	25,192	664,304	5,057	-	890,913
Associates							358,502
Unallocated corporate assets							129,176
Total assets							1,378,591
Segment liabilities	40,272	85,974	9,193	18,814	87,487	-	241,740
Unallocated corporate liabilities							378,015
Total liabilities							619,755
<b>Other material information</b>							
Capital expenditure	14,043	648	724	147	4	-	15,566
Depreciation and amortisation	12,265	10,341	3,729	3,308	278	-	29,921
Allowance for inventories obsolescence	202	-	-	-	-	-	202
Gain on disposal of property, plant and equipment	11	-	-	-	-	-	11
Allowance for expected credit losses of trade and other receivables	27	-	109	-	-	-	136

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 35 Segment information (Cont'd)

### (b) Geographical segments

The Group operates mainly in Indonesia. Accordingly, analysis by geographical segments is not presented.

### (c) Segment revenue and segment expense

All segment revenue and expense are directly attributable to the segments.

### (d) Segment assets and liabilities

Segment assets include all operating assets and consist principally of trade and other receivables, land inventories, other inventories, investment properties and property, plant and equipment, net of allowances and provisions. While most assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated on a reasonable basis.

Segment liabilities include all operating liabilities and consist principally of operating and tax payables.

Segment assets and liabilities do not include cash and cash equivalents, deferred tax assets, deferred tax liabilities, loans and borrowings.

The Group does not have any major customers.

## 36 Financial risk management objectives and policies

The Group and the Company have financial risk management policies setting out the Group's and the Company's overall business strategies and its risk management philosophy. The Group and the Company are exposed to financial risks arising from its diversified operations and the use of financial instruments. The financial risks included market price risk, foreign exchange risk, interest rate risk, credit risk and liquidity risk. The Group's and the Company's overall risk management programme focuses on the unpredictability of financial markets on the Group's and the Company's financial performance.

The Company co-ordinates, under the directions of the directors, financial risk management policies and their implementation on a group-wide basis. The Group's policies are designed to manage the financial impact of fluctuations in interest rates and exchange rates and to minimise the Group's financial risks. It is the Group's policy not to enter into derivative transactions for speculative purposes.

There has been no change to the Group's and the Company's exposure to these financial risks or the manner in which it manages and measures the risk. Market risk exposures are measured using sensitivity analysis indicated below.

### (a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will have on the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (a) Market risk (Cont'd)

#### (i) Interest rate risk

Interest rate risk is the risk arising from the changes in market interest rates which leads to the fluctuation of the fair value or future cash flows of the financial instruments.

The Group is financed through interest-bearing bank loans, other borrowings such as shareholders' loans, and advances from related parties and debt securities. Therefore, the Group's exposures to market risk for changes in interest rates relate primarily to its long-term borrowings obligations and interest-bearing assets and liabilities. The Group's policy is to obtain the most favourable interest rates available without increasing its foreign currency exposure by managing its interest cost using a mixture of fixed and variable rate debts and long and short-term borrowings. The Group actively reviews its debt portfolio and evaluates the interest rates are in line with the changes in interest rate which is relevant in the money market. The Group also uses hedging instruments such as interest rate swaps to minimise its exposure to interest rate volatility.

#### Sensitivity analysis for interest rate risk

At the end of reporting period, if Singapore Dollar, United States Dollar and Indonesian Rupiah interest rates had been 50 (31 December 2022 – 50) basis points lower/higher with all other variables held constant, the Group's profit/(loss) net of tax would have been higher/lower by the amounts shown below, arising mainly as a result of lower/higher interest expense on floating rate borrowings.

	<b>Profit/(loss)</b>			
	<b>The Group</b>		<b>The Company</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Singapore Dollar				
– lower 50 basis points	<b>74</b>	74	<b>682</b>	671
– higher 50 basis points	<b>(74)</b>	(74)	<b>(682)</b>	(671)
United States Dollar				
– lower 50 basis points	<b>1,829</b>	1,790	<b>1,565</b>	1,496
– higher 50 basis points	<b>(1,829)</b>	(1,790)	<b>(1,565)</b>	(1,496)
Indonesian Rupiah				
– lower 50 basis points	–	–	<b>1,256</b>	1,261
– higher 50 basis points	–	–	<b>(1,256)</b>	(1,261)

#### Managing interest rate benchmark reference reform and associated risks

A fundamental reform of major interest rate benchmarks is being undertaken globally, including the replacement of some interbank offered rates ("IBORs") with alternative nearly risk-free rates (referred to as "IBOR reform"). In 2023, the Group undertook amendments to its non-derivative financial liabilities for secured borrowings that indexed to USD LIBOR to alternative reference rate of Term Secured Overnight Financing Rate ("Term SOFR").



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (a) Market risk (Cont'd)

#### (ii) Foreign exchange risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risk arises when transactions are denominated in foreign currencies.

The Group has transactional currency exposures arising primarily from purchases, assets and liabilities which arise from daily operations that are denominated in a currency other than the respective functional currencies of group entities, primarily Singapore Dollar (SGD) and Indonesian Rupiah (IDR). The foreign currencies in which these transactions are denominated are mainly United States Dollar (USD).

The Group and the Company also hold cash and cash equivalents denominated in foreign currencies for working capital purposes. At the end of reporting period, such foreign currency balances (mainly in IDR and USD) amounted to S\$102,684,000 (31 December 2022 – S\$116,561,000) and S\$170,000 (31 December 2022 – S\$354,000) for the Group and the Company respectively.

The Group maintains a natural hedge, whenever possible by borrowing in the currency of the country in which its property or investment is located or by borrowing in currencies that match the future revenue streams to be generated from its investments. The Group may enter into cross currency swaps to hedge the foreign exchange risk of its loans denominated in foreign currency and these swaps are designated as cash flow hedges.

Foreign exchange exposures in transactional currencies other than functional currencies of the operating entities are kept to an acceptable level.

In relation to its investments in foreign subsidiaries whose net assets are exposed to currency translation risk and which are held for long term investment purposes, the differences arising from such translation are recorded under the currency translation reserves. These translation differences are reviewed and monitored on a regular basis.

#### Sensitivity analysis

The following table demonstrates the sensitivity to a reasonably possible change in foreign currencies exchange rate, with all other variables held constant, of the Group's loss before tax (due to changes in the fair value of monetary assets and liabilities).

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

(a) Market risk (Cont'd)(ii) Foreign exchange risk (Cont'd)Sensitivity analysis (Cont'd)

As at each reporting date, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective group entities' functional currencies are as follows:

The Group	Indonesian Rupiah		United States Dollar		Total	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Other non-current assets (Note 11)	778	491	-	-	778	491
Trade and other receivables (Note 14)	21,105	18,173	6,636	6,668	27,741	24,841
Cash and cash equivalents (Note 15)	46,013	67,041	56,671	49,520	102,684	116,561
Trade and other payables (Note 23)	(26,387)	(14,084)	(73,597)	(76,513)	(99,984)	(90,597)
Other non-current liabilities (Note 21)	(14,057)	(11,092)	-	-	(14,057)	(11,092)
Borrowings (Note 19)	-	-	(365,734)	(357,909)	(365,734)	(357,909)
Net assets/(liabilities) exposure	27,452	60,529	(376,024)	(378,234)	(348,572)	(317,705)

	Appreciation/(depreciation) of foreign currency rate	Effect on loss before tax (increase)/decrease \$'000
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**2023**

Indonesian Rupiah	(5.29%)	(1,452)
Indonesian Rupiah	5.29%	1,452
United States Dollar	(2.60%)	9,777
United States Dollar	2.60%	(9,777)

2022

Indonesian Rupiah	(1.08%)	(654)
Indonesian Rupiah	1.08%	654
United States Dollar	2.62%	(9,910)
United States Dollar	(2.62%)	9,910

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

(a) Market risk (Cont'd)

(ii) Foreign exchange risk (Cont'd)

Sensitivity analysis (Cont'd)

The Company	Indonesian Rupiah		United States Dollar		Total	
	2023	2022	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash and cash equivalents (Note 15)	-	-	170	354	170	354
Trade and other payables (Note 23)	(78,555)	(66,408)	(83,107)	(82,129)	(161,662)	(148,537)
Borrowings (Note 19)	(251,102)	(252,233)	(313,011)	(299,114)	(564,113)	(551,347)
Net liabilities exposure	<b>(329,657)</b>	<b>(318,641)</b>	<b>(395,948)</b>	<b>(380,889)</b>	<b>(725,605)</b>	<b>(699,530)</b>

	Appreciation/(depreciation) of foreign currency rate	Effect on loss before tax (increase)/decrease \$'000
<b>2023</b>		
Indonesian Rupiah	(5.29%)	(17,439)
Indonesian Rupiah	5.29%	17,439
United States Dollar	(2.60%)	10,295
United States Dollar	2.60%	(10,295)
<b>2022</b>		
Indonesian Rupiah	1.08%	(3,441)
Indonesian Rupiah	(1.08%)	3,441
United States Dollar	2.62%	(9,979)
United States Dollar	(2.62%)	9,979

The average and year end exchange rates for 2023 and 2022 are as follows:

	2023		2022	
	Year end	Average	Year end	Average
Indonesian Rupiah	Rp.11,712/\$1	Rp.11,335/\$1	Rp.11,659/\$1	Rp. 10,721/\$1
United States Dollar	US\$0.76/\$1	US\$0.75/\$1	US\$0.74/\$1	US\$0.73/\$1

(iii) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate due to changes in market prices.

The Group does not have any exposure to market price risks. Accordingly, no sensitivity analysis is disclosed.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the Group or the Company to incur a financial loss. For the subsidiaries engaging in consumer financing, a financial loss will arise when the debtor does not meet its contractual obligation.

The financial assets that potentially subject the Group to significant concentration of credit risk consist principally of cash and bank balances and trade and other receivables. For trade receivables, the Group and the Company adopt the policy of dealing only with customers of appropriate credit history, and obtaining sufficient security, where appropriate, to mitigate credit risk. For other financial assets, the Group and the Company adopt the policy of dealing only with high credit quality counterparties.

The Group's and the Company's objectives are to seek continual growth while minimising losses incurred due to increased credit risk exposure.

The Group has in place credit policies and procedures to ensure the ongoing credit evaluation and active account monitoring. Credit risk which is encountered by the Group comes from credits given to customers. To reduce this risk, there is a policy to ensure the product sales are to be made to customers who can be trusted and proven to have a good credit history and pass the credit verification. The Group monitors the receivable balance continuously to maximise installment billings and reduce the possibility of doubtful accounts.

The Group's exposures to credit risk arise from default of other parties, with maximum exposure equal to the carrying amount of these instruments. At the reporting date, there were no significant concentrations of credit risk.

The Group's and the Company's major classes of financial assets are bank deposits, trade and other receivables. Cash is held with financial institutions of good standing/established financial institutions/reputable financial institutions. Further details of credit risks on trade and other receivables are disclosed in Note 14.

The Company gives corporate guarantees to banks for the bank borrowings of its subsidiaries. The maximum exposure of the Company in respect of these guarantees at the reporting date is the amount of S\$14,800,000 (31 December 2022 – S\$14,800,000). At the reporting date, the Company has considered it is not probable that a claim will be made against the Company under such guarantees.

There is no impact on the corporate guarantee as there are no differential rates given by the financial institutions.

### Financial assets

The Group applies the SFRS(I) 9 expected credit losses which uses either a 12-month or a lifetime expected credit losses depending on the level of credit risk to measuring loss allowance for all trade receivables and other financial assets.

The Group and the Company apply the simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. For all other financial assets, the Group and the Company apply the general approach.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (b) Credit risk (Cont'd)

#### Financial assets (Cont'd)

While cash and cash equivalents are also subject to the impairment requirements, the identified impairment loss was immaterial.

For the non-trade intercompany balances, it is considered to have low credit risk, and the loss allowance recognised during the period was therefore limited to 12 months expected credit losses. Management considers “low credit risk” when they have a low risk of default and the issuer has a strong capacity to meet its contractual cash flows obligations in the near term.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months for trade receivables and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The receivables with “non-performing” credit risk rating have been fully provided for, while the receivables with “performing” credit risk rating are not impaired.

On that basis, the loss allowance as at 31 December 2023 and 2022 was determined as follows for trade and other receivables:

	<b>Trade and other receivables</b>				<b>Total</b>
	<b>Current</b>	<b>Days past due</b>			
		<b>1-30</b>	<b>31-60</b>	<b>&gt;60</b>	
<b>The Group</b>	<b>\$'000</b>	<b>days</b>	<b>days</b>	<b>days</b>	<b>\$'000</b>
<b>As at 31 December 2023</b>					
Expected credit loss rate	<b>7.76%</b>	–	–	<b>12.90%</b>	<b>10.25%</b>
Gross carrying amount	<b>17,342</b>	<b>2,123</b>	<b>1,010</b>	<b>28,537</b>	<b>49,012</b>
Provision for allowance	<b>(1,346)</b>	–	–	<b>(3,680)</b>	<b>(5,026)</b>
<b>As at 31 December 2022</b>					
Expected credit loss rate	7.22%	–	–	14.23%	10.87%
Gross carrying amount	18,631	1,605	646	27,535	48,417
Provision for allowance	(1,346)	–	–	(3,918)	(5,264)

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (b) Credit risk (Cont'd)

#### Financial assets (Cont'd)

	Trade and other receivables				Total \$'000
	Current \$'000	Days past due			
		1-30 days \$'000	31-60 days \$'000	>60 days \$'000	
<b>The Company</b>					
<b>As at 31 December 2023</b>					
Expected credit loss rate	-	-	-	-	-
Gross carrying amount	66,897	-	-	2,535	69,432
Provision for allowance	-	-	-	-	-
<b>As at 31 December 2022</b>					
Expected credit loss rate	-	-	-	-	-
Gross carrying amount	74,231	-	-	2,285	76,516
Provision for allowance	-	-	-	-	-

### (c) Liquidity risk

Liquidity risk is the risk that the Group and the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or other financial assets. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value.

The Group's and the Company's exposure to liquidity risk arise primarily from mismatches of the maturities of financial assets and liabilities. The Group maintains a balance between continuity of accounts receivable collectability and flexibility through the use of borrowings, debt securities and stand-by credit facilities.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (c) Liquidity risk (Cont'd)

The table below analyses the maturity profile of the Group's and the Company's financial liabilities based on contractual undiscounted cash flows:

Contractual undiscounted cash flows					
	Not later than one year \$'000	Later than one year and not later than five years \$'000	Later than five years \$'000	Total \$'000	Total carrying amount \$'000
<b>The Group</b>					
<b>As at 31 December 2023</b>					
Non-derivative financial liabilities:					
Trade and other payables	125,731	-	-	125,731	125,731
Borrowings	77,539	361,729	-	439,268	382,351
Other non-current liabilities	-	32,369	-	32,369	32,369
Lease liabilities	6,109	5,425	236	11,770	10,522
	<u>209,379</u>	<u>399,523</u>	<u>236</u>	<u>609,138</u>	<u>550,973</u>
<b>As at 31 December 2022</b>					
Non-derivative financial liabilities:					
Trade and other payables	118,048	-	-	118,048	118,048
Borrowings	50,677	402,284	-	452,961	375,778
Other non-current liabilities	-	29,674	-	29,674	29,674
Lease liabilities	6,107	10,098	264	16,469	14,418
	<u>174,832</u>	<u>442,056</u>	<u>264</u>	<u>617,152</u>	<u>537,918</u>
<b>The Company</b>					
<b>As at 31 December 2023</b>					
Non-derivative financial liabilities:					
Trade and other payables	187,108	-	-	187,108	187,108
Borrowings	515,710	252,288	-	767,998	700,446
Other non-current liabilities	-	54	-	54	54
Lease liabilities	618	1,030	-	1,648	1,415
	<u>703,436</u>	<u>253,372</u>	<u>-</u>	<u>956,808</u>	<u>889,023</u>
<b>As at 31 December 2022</b>					
Non-derivative financial liabilities:					
Trade and other payables	165,703	-	-	165,703	165,703
Borrowings	456,404	303,109	-	759,513	685,592
Other non-current liabilities	-	54	-	54	54
Lease liabilities	585	1,561	-	2,146	1,915
	<u>622,692</u>	<u>304,724</u>	<u>-</u>	<u>927,416</u>	<u>853,264</u>



# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 36 Financial risk management objectives and policies (Cont'd)

### (c) Liquidity risk (Cont'd)

The Group and the Company ensure that there are adequate funds to meet all its obligations in a timely and cost-effective manner.

The Company is able to raise funds through bank borrowings and capital market, and dividend income from subsidiaries to settle its current liabilities for the next twelve months.

### (d) Project development risk

Construction delays can result in loss of revenue. The failure to complete construction of a project according to its planned specifications or schedule may result in liabilities, reduce project efficiency and lower returns. The Group manages this risk by closely monitoring the progress of all projects through all stages of construction.

## 37 Capital management

The Group's and the Company's objectives when managing capital are:

- (a) To safeguard the Group's and the Company's abilities to continue as a going concern;
- (b) To support the Group's and the Company's stabilities and growth;
- (c) To provide capital for the purpose of strengthening the Group's and the Company's risk management capabilities; and
- (d) To provide an adequate return to shareholders.

The Group actively and regularly reviews and manages its capital structure to ensure optimal capital structure and shareholders' returns, taking into consideration the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. The Group and the Company currently do not adopt any formal dividend policy.

The Group and the Company monitor capital net debt ratio, which is net debt divided by total capital plus debt. Net debt refers to all borrowings including lease liabilities, less cash and cash equivalents in the statement of financial position. Capital represents total equity of the Group. The Group and the Company do not have a defined gearing ratio benchmark or range.

The capital net debt ratios at 31 December 2023 and 2022 were as follows:

	The Group		The Company	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Net Debt	<b>283,736</b>	262,410	<b>701,172</b>	686,575
Total equity + debt	<b>1,140,607</b>	1,149,032	<b>1,397,478</b>	1,391,506
Capital net debt ratio	<b>0.25</b>	0.23	<b>0.50</b>	0.49

There were no changes in the Group's and the Company's approach to capital management during the year.

The Company and its subsidiaries are not subjected to externally imposed capital requirements except as disclosed in Note 19.

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 38 Financial instruments

### Accounting classification of financial assets and financial liabilities

The fair values of financial assets and financial liabilities are as follows:

Financial assets	Note	The Group		The Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial assets at amortised cost					
Trade and other receivables	14	43,986	43,153	69,432	76,516
Cash and cash equivalents	15	109,137	127,786	689	932
Other non-current assets <sup>(1)</sup>	11	998	639	416	148
		<b>154,121</b>	<b>171,578</b>	<b>70,537</b>	<b>77,596</b>

(1) Comprises deposits, other receivables and other investments.

Financial liabilities	Note	The Group		The Company	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial liabilities at amortised cost					
Trade and other payables	23	125,731	118,048	187,108	165,703
Borrowings	19	382,351	375,778	700,446	685,592
Other non-current liabilities	21	32,369	29,674	54	54
Lease liabilities	22	10,522	14,418	1,415	1,915
		<b>550,973</b>	<b>537,918</b>	<b>889,023</b>	<b>853,264</b>

## 39 Fair value measurement

### Definition of fair value

SFRS(I) define fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

### Fair value hierarchy

Financial assets and financial liabilities measured at fair value in the statements of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 : inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3 : unobservable inputs for the asset or liability

# NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2023

## 39 Fair value measurement (Cont'd)

### Fair value measurement of financial instruments

(i) Level 1, 2 and 3 fair value measurements

The Group did not have any financial assets and financial liabilities measured at fair value in the statements of financial position that grouped into three levels of a fair value hierarchy as at 31 December 2023 and 31 December 2022.

(ii) Fair value of financial instruments by classes that are not carried at fair value and whose carrying amount are reasonable approximation of fair value.

The carrying amounts of the current financial assets and financial liabilities approximate their respective fair values due to the relative short-term maturity of these financial assets and financial liabilities.

The fair values of non-current borrowings and lease liabilities are calculated based on discounted expected future principal and interest cash flows. The discount rates used are based on market rate for similar instruments at the end of the financial year. As at the end of the financial year, the fair values of the non-current borrowings and lease liabilities approximate their carrying amounts.

(iii) Non-financial assets and liabilities not carried at fair value but for which fair value is disclosed

The Group's investment properties and employee benefit liabilities are not measured at fair values but which fair values are disclosed. They are classified under Level 3 of the fair value hierarchy. The details on the fair value of investment properties and employee benefit liabilities are disclosed in Notes 7 and 20, respectively.

## 40 Comparative figures

Certain comparative figures have been reclassified to conform to current year's management reporting structure.

## 41 Events after end of reporting period

There were no material events subsequent to 31 December 2023 and up until the authorisation of the financial statements for issue, that have not been disclosed elsewhere in the financial statements.

# STATISTICS OF SHAREHOLDINGS

As at 18 March 2024

Number of Issued Shares	:	5,463,605,283
Number of Treasury Shares	:	450,000
Number of Issued Shares (excluding Treasury Shares)	:	5,463,155,283
Class of Shares	:	Ordinary
Voting Rights	:	One vote per share

## DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	Number of Shareholders	%	Number of Shares	%
1 – 99	35	1.20	1,111	0.00
100-1,000	432	14.79	198,745	0.00
1,001-10,000	842	28.84	6,001,729	0.11
10,001-1,000,000	1,584	54.25	123,819,345	2.27
1,000,001 and above	27	0.92	5,333,584,353	97.62
<b>Total</b>	<b>2,920</b>	<b>100.00</b>	<b>5,463,605,283</b>	<b>100.00</b>

## TWENTY LARGEST SHAREHOLDERS

No.	Name	Number of Shares	% of Shares
1	RAFFLES NOMINEES (PTE) LIMITED	2,975,247,489	54.46
2	UOB KAY HIAN PTE LTD	944,621,737	17.29
3	CITIBANK NOMS SPORE PTE LTD	448,970,550	8.22
4	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	433,236,000	7.93
5	HSBC (SINGAPORE) NOMINEES PTE LTD	202,290,600	3.70
6	PHILLIP SECURITIES PTE LTD	109,245,110	2.00
7	TERRAFIRMA PROPERTY HOLDINGS LTD	102,609,023	1.88
8	MAYBANK SECURITIES PTE. LTD.	20,179,103	0.37
9	DBS NOMINEES PTE LTD	19,052,200	0.35
10	CIGA ENTERPRISES PTE LTD	18,770,000	0.34
11	OCBC SECURITIES PRIVATE LTD	17,234,329	0.32
12	MORGAN STANLEY ASIA (S) SEC PTE LTD	9,850,000	0.18
13	GOH BEE LAN	4,815,000	0.09
14	UNITED OVERSEAS BANK NOMINEES P L	3,602,852	0.07
15	PT ELITINDO CITRALESTARI	3,106,688	0.06
16	LIM KEE YEK	3,038,300	0.06
17	OCBC NOMINEES SINGAPORE PTE LTD	2,301,300	0.04
18	CHNG BENG HUA	2,300,000	0.04
19	LEE KAI HENG	1,900,000	0.03
20	LIM CHYE SOON (LIN CAISHUN)	1,850,000	0.03
	<b>Total:</b>	<b>5,324,220,281</b>	<b>97.45</b>

# STATISTICS OF SHAREHOLDINGS

As at 18 March 2024

## PUBLIC FLOAT

Based on the information available to the Company as at 18 March 2024, 26.85% of the issued ordinary shares of the Company is held by the public, and therefore, Rule 723 of the Listing Manual issued by the Singapore Exchange Securities Trading Limited is complied with.

## SUBSTANTIAL SHAREHOLDERS

Substantial Shareholder	Direct interest	Deemed interest	Total interest	%
Parallax Holdings Limited (“ <b>PHL</b> ”)	2,936,862,151	–	2,936,862,151	53.76
Diamond Mint Limited (“ <b>Diamond Mint</b> ”) <sup>(1)</sup>	–	2,936,862,151	2,936,862,151	53.76
Dornier Profits Limited (“ <b>Dornier</b> ”) <sup>(2)</sup>	189,545,100	467,466,638	657,011,738	12.03
Parallax Venture Partners XXX Ltd (“ <b>PVP</b> ”) <sup>(3)</sup>	–	657,011,738	657,011,738	12.03
PT Buanacitra Alamsemesta (“ <b>BCA</b> ”) <sup>(4)</sup>	–	657,011,738	657,011,738	12.03
PT Bahana Cakrakarsa (“ <b>BCK</b> ”) <sup>(4)</sup>	–	657,011,738	657,011,738	12.03
Jaslene Limited (“ <b>Jaslene</b> ”) <sup>(5)</sup>	–	2,936,862,151	2,936,862,151	53.76
River Point Ventures Limited (“ <b>River Point</b> ”)	397,000,000	–	397,000,000	7.27
Smart Head Assets Limited (“ <b>Smart Head</b> ”) <sup>(6)</sup>	–	397,000,000	397,000,000	7.27
Anthoni Salim <sup>(7)</sup>	–	3,993,980,577	3,993,980,577	73.11

### Notes:

- (1) Diamond Mint has a controlling interest in PHL and is deemed to be interested in the Shares in which PHL has an interest.
- (2) Dornier has a deemed interest in 467,466,638 Shares by virtue of an agreement pursuant to which Dornier agreed to acquire from PVP such Shares.
- (3) PVP has a deemed interest in 657,011,738 Shares comprising:
  - (a) a deemed interest in 467,466,638 Shares held through financial institutions, by virtue of Section 4(3) of the SFA; and
  - (b) a deemed interest in Dornier’s 189,545,100 Shares, by virtue of Section 4(5) of the SFA.
- (4) BCA has a controlling interest in PVP and BCK has an interest in more than 20% of the issued share capital of PVP. Each BCA and BCK is deemed to be interested in the Shares in which PVP has an interest.
- (5) Jaslene has a controlling interest in Diamond Mint and is deemed to be interested in the Shares in which PHL has an interest.
- (6) Smart Head has a controlling interest in River Point and is deemed to be interested in the Shares in which River Point has an interest.
- (7) Anthoni Salim is deemed to have an interest in the Shares in which PHL, PVP, River Point and Dornier have an interest and the 3,106,688 Shares owned by PT Elitindo Citralestari.

# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“**AGM**”) of Gallant Venture Ltd. (the “**Company**”) will be held at **10.00 a.m. on Monday, 29 April 2024** at Jubilee Ballroom, Level 4, Four Points By Sheraton Singapore, Riverview, 382 Havelock Road, Singapore 169629 to transact the following businesses:

## **AS ORDINARY BUSINESS**

1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2023 together with the Directors’ Statement and Auditors’ Report thereon.

**(Resolution 1)**
2. To approve the Directors’ fee of S\$455,000/- for the financial year ended 31 December 2023 (2022: S\$455,000/-).

**(Resolution 2)**
3. To note the retirement of the following Directors retiring under Regulation 111 of the Constitution of the Company, who have decided not to seek re-election.
  - (a) Mr Lim Hock San
  - (b) Mr Foo Ko Hing

**(See Explanatory Note 1)**
4. To note the retirement of Dr Tan Chin Nam as a Director of the Company.

**(See Explanatory Note 2)**
5. To re-elect Mr Choo Kok Kiong who is retiring under Regulation 111 of the Constitution of the Company as a Director of the Company.

**(Resolution 3)**  
**(See Explanatory Note 3)**
6. To appoint the following persons as Directors of the Company under Regulation 115 of the Constitution of the Company.
  - (a) Mr Tan Boon Hwa

**(Resolution 4)**  
**(See Explanatory Note 4)**
  - (b) Mr I Gusti Putu Suryawirawan

**(Resolution 5)**  
**(See Explanatory Note 4)**
7. To re-appoint Foo Kon Tan LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.

**(Resolution 6)**

# NOTICE OF ANNUAL GENERAL MEETING

## AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

8. Authority to issue shares

That authority be and is hereby given to the Directors of the Company to:

- (a) (i) issue shares in the Company ("**Shares**") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require Shares to be issued during the continuance of this authority or thereafter, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

- (b) issue Shares in pursuance of any Instrument made or granted by the Directors while such authority was in force (notwithstanding that such issue of Shares pursuant to the Instruments may occur after the expiration of the authority contained in this Resolution),

Provided that:

- (c) the aggregate number of the Shares to be issued pursuant to such authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority), does not exceed 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (d) below), and provided further that where shareholders of the Company ("**Shareholders**") are not given the opportunity to participate in the same on a pro-rata basis, then the Shares to be issued under such circumstances (including the Shares to be issued in pursuance of Instruments made or granted pursuant to such authority) shall not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with paragraph (d) below);
- (d) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (c) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) at the time such authority was conferred, after adjusting for:
  - (i) new Shares arising from the conversion or exercise of any convertible securities;
  - (ii) new Shares arising from exercising share options or the vesting of share awards, provided the share options or share awards were granted in compliance with the listing rules of the SGX-ST; and
  - (iii) any subsequent bonus issue, consolidation or subdivision of the Shares,

provided further that adjustments in accordance with sub-paragraph (d)(i) and (ii) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and are outstanding or subsisting at the time of the passing of this resolution;



# NOTICE OF ANNUAL GENERAL MEETING

- (e) in this Resolution, “**subsidiary holdings**” shall have the meaning ascribed to it in the listing rules of the SGX-ST; and
- (f) (unless revoked or varied by the Company in general meeting), the authority so conferred shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

**(Resolution 7)**  
**(See Explanatory Note 5)**

## 9. Renewal of the Shareholders’ Mandate for Interested Person Transactions

That:

- (a) approval be and is hereby given, for the purposes of Chapter 9 of the Listing Manual of the SGX-ST (“**Chapter 9**”), for the Company, its subsidiaries and associated companies that are considered to be “entities at risk” under Chapter 9, or any of them, to enter into any of the transactions falling within the types of Interested Person Transactions as set out in the Appendix to this Notice of AGM (the “**Appendix**”), with any party who falls within the classes of interested persons as described in the Appendix, provided that such transactions are made on normal commercial terms and are in accordance with the review procedures for Interested Person Transactions as set out in the Appendix (the “**IPT Mandate**”);
- (b) the IPT Mandate shall, unless revoked or varied by the Company in general meeting, continue in force until the date on which the next AGM of the Company is held or is required by law to be held, whichever is earlier;
- (c) the Audit and Risk Management Committee of the Company be and is hereby authorised to take such action as it deems proper in respect of procedures and/or to modify or implement such procedures as may be necessary to take into consideration any amendment to Chapter 9 of the Listing Manual of the SGX-ST which may be prescribed by the SGX-ST from time to time; and
- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including, without limitation, executing all such documents as may be required) as they may consider expedient or necessary or in the interests of the Company to give effect to the IPT Mandate and/or this Resolution.

**(Resolution 8)**  
**(See Explanatory Note 6)**

## 10. Renewal of the Share Purchase Mandate

That:

- (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 of Singapore (the “**Companies Act**”) as may be amended from time to time, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued and fully paid ordinary shares in the Company (the “**Shares**”) not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
  - (i) market purchases (each a “**Market Purchase**”) on the SGX-ST; and/or

# NOTICE OF ANNUAL GENERAL MEETING

- (ii) off-market purchases (each an “**Off-Market Purchase**”) effected otherwise than on the SGX-ST in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws, regulations and listing rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the “**Share Purchase Mandate**”);

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate in paragraph (a) of this Resolution may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

- (i) the date on which the next AGM of the Company is held;
- (ii) the date by which the next AGM of the Company is required by law to be held; or
- (iii) the date on which purchases or acquisitions of Shares are carried out to the full extent mandated;

- (c) in this Resolution:

“**subsidiary holdings**” has the meaning ascribed to it in the listing rules of the SGX-ST;

“**Prescribed Limit**” means, subject to the Companies Act, 10% of the total number of issued Shares of the Company (excluding subsidiary holdings and any Shares which are held as treasury shares) as at the date of the passing of this Resolution; and

“**Maximum Price**”, in relation to a Share to be purchased or acquired, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and
- (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price (as defined hereinafter),

where:

“**Average Closing Price**” means the average of the Closing Market Prices (as defined hereafter) of the Shares over the last five Market Days on the SGX-ST, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during such five-Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

“**Closing Market Price**” means the last dealt price for a Share transacted through the SGX-ST’s trading system as shown in any publication of the SGX-ST or other sources;

# NOTICE OF ANNUAL GENERAL MEETING

“**date of the making of the offer**” means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

“**Market Day**” means a day on which the SGX-ST is open for trading in securities; and

- (d) the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution.

**(Resolution 9)**  
**(See Explanatory Note 7)**

## ANY OTHER BUSINESS

11. To transact any other business which may be properly transacted at an AGM.

BY ORDER OF THE BOARD

Choo Kok Kiong  
Company Secretary  
Singapore, 12 April 2024

### Explanatory Notes:

- Mr Lim Hock San will retire as an Independent Director of the Company at the conclusion of the AGM to be held on 29 April 2024. Consequent thereto, Mr Lim will also cease to be Chairman of the Board, Audit and Risk Management Committee and Nominating Committee, and a member of the Remuneration Committee.  
  
Mr Foo Ko Hing will retire as an Independent Director of the Company at the conclusion of the AGM to be held on 29 April 2024. Consequent thereto, Mr Foo will also cease to be Chairman of the Remuneration Committee and a member of the Audit and Risk Management Committee and Nominating Committee.
- Dr Tan Chin Nam has given notice to the Company that he wishes to retire as a Director and Non-Executive Director of the Company at the conclusion of the AGM to be held on 29 April 2024.
- Mr Choo Kok Kiong will, upon being re-elected as Director, continue as Executive Director. The detailed information of Mr Choo can be found on pages 10 to 16 of the Annual Report 2023.
- Ordinary Resolution 4 is to appoint Mr Tan Boon Hwa as a Director pursuant to Regulation 115 of the Company's Constitution at the forthcoming AGM to be held on 29 April 2024. Upon his appointment Mr Tan will be considered as an Independent Director of the Company, Chairman of Nominating Committee and Remuneration Committee and a member of Audit and Risk Management Committee. The Board considers him independent for the purposes of Listing Rules of SGX-ST. Mr Tan does not have any relationships including immediate family relationships between himself and the other Directors, the Company and its substantial shareholders.  
  
Ordinary Resolution 5 is to appoint Mr I Gusti Putu Suryawirawan as a Director pursuant to Regulation 115 of the Company's Constitution at the forthcoming AGM to be held on 29 April 2024. Upon his appointment Mr Putu will be considered as an Independent Director of the Company, and member of Nominating Committee, Remuneration Committee and Audit and Risk Management Committee. The Board considers him independent for the purposes of Listing Rules of SGX-ST. Mr Putu does not have any relationships including immediate family relationships between himself and the other Directors, the Company and its substantial shareholders.  
  
The Board has proposed Mr Tan Boon Hwa and Mr I Gusti Putu Suryawirawan for appointment as Independent Directors at the forthcoming AGM. Mr Tan and Mr Putu have accepted the nomination for their candidature. The Nominating Committee (“NC”) has reviewed both Mr Tan and Mr Putu suitability for appointment as Independent Directors. The Board has accepted the NC's recommendation. Detailed information of Mr Tan and Mr Putu can be found on pages 10 to 16 of the Annual Report 2023.
- Ordinary Resolution 7 is to authorise the Directors of the Company from the date of the above Meeting until the next AGM to issue Shares and convertible securities in the Company up to an amount not exceeding in total 50% of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) calculated on the basis set out in the said resolution. For issues of Shares and convertible securities other than on a pro rata basis to all Shareholders, the aggregate number of Shares and convertible securities to be issued shall not exceed 20% of the total number of issued Shares in the capital of the Company (excluding treasury shares and subsidiary holdings) calculated on the basis set out in the said resolution. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

# NOTICE OF ANNUAL GENERAL MEETING

6. Ordinary Resolution 8 relates to the renewal of the mandate, which was approved by the shareholders on 28 April 2023 allowing the Company, its subsidiaries and associated companies to enter into transactions with interested persons as defined in Chapter 9 of the Listing Manual of the SGX-ST. Please refer to the Appendix to this Notice of AGM for more information.
7. Ordinary Resolution 9 relates to the renewal of the mandate, which was first approved by the shareholders on 23 January 2009 and was renewed at the previous AGMs of the Company, authorising the Company to purchase its own Shares. Please refer to the Appendix to this Notice of AGM for more information.

## Notes:

### General

1. The AGM will be held physically at 10.00 a.m. on Monday, 29 April 2024 at Jubilee Ballroom, Level 4, Four Points By Sheraton Singapore, Riverview, 382 Havelock Road, Singapore 169629. Shareholders, including CPF and SRS investors, and (where applicable) duly appointed proxies and representatives will be able to ask questions and vote at the AGM by attending the AGM in person. **There will be no option for shareholders to participate virtually.**

The Notice of AGM, Proxy Form, Request Form, the Annual Report (including the Appendix) will be made available on the Company's website at the URL <http://www.gallantventure.com> and the SGX website at the URL <https://www.sgx.com/securities/company-announcements>. Printed copies of this Notice of AGM, the accompanying Proxy Form and the Request Form will be sent by post to members.

### Appointment of Proxy(ies)

2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.
- (b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set below.

3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted personally or by post, be lodged at the Company's registered address at 3 HarbourFront Place #16-01 HarbourFront Tower Two, Singapore; or
  - (b) if submitted electronically, be submitted via email to the Company at [proxy\\_forms@gallantventure.com](mailto:proxy_forms@gallantventure.com),
 in either case, by 10.00 a.m. on 26 April 2024, being 72 hours before the time appointed for holding the AGM.
5. For investors who hold shares through relevant intermediaries, including Central Provident Fund ("**CPF**") Investment Schemes (such investors, the "**CPF Investors**") and/or Supplementary Retirement Schemes ("**SRS**") (such investors, the "**SRS Investors**")
  - (a) may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - (b) may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM in which case they should inform their respective CPF Agent Banks or SRS Operators.

### Submission of Questions

6. Shareholders, including CPF and SRS investors, may submit substantial and relevant questions related to the resolutions to be tabled for approval at AGM in advance of the AGM:
  - (a) by post to the Company's registered address at 3 HarbourFront Place #16-01 HarbourFront Tower Two, Singapore; or
  - (b) by email to the Company at [questions@gallantventure.com](mailto:questions@gallantventure.com).

Shareholders submitting questions are required to provide the following details: (i) the shareholder's full name; (ii) the shareholder's identification/registration number; and (iii) the manner in which the shareholder holds shares in the Company (e.g. via CDP, CPF, SRS and/or Scrip), for verification purposes, failing which the Company shall be entitled to regard the submission as invalid and not respond to the questions submitted.

All the questions submitted in advance must be received by 5.00 p.m. on 19 April 2024 ("**prescribed deadline**").

# NOTICE OF ANNUAL GENERAL MEETING

7. The Company will address all substantial and relevant questions received by the prescribed deadline and publish its responses to such questions on the Company's website and SGXNet by 10.00 a.m. on 24 April 2024. For questions received after the prescribed deadline, the Company will endeavour to address them together with questions raised at the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.
8. The Company will, within one month after the date of the AGM, publish the minutes of AGM on the Company's website and SGXNet and the minutes will include the responses to the substantial and relevant questions received after the prescribed deadline which have not already been addressed prior to the AGM as well as the questions raised during the AGM.

## Personal data privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM of the Company and/or any adjournment thereof and/or submitting any question to the Company in advance of the AGM in accordance with this Notice, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing and administration by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM of the Company (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM of the Company (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines and (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

# GALLANT VENTURE LTD.

Company Registration No. 200303179Z  
(Incorporated in the Republic of Singapore)

## PROXY FORM ANNUAL GENERAL MEETING

### IMPORTANT

- The AGM (as defined below) will be held physically at 10.00 a.m. on Monday, 29 April 2024 at Jubilee Ballroom, Level 4, Four Points By Sheraton Singapore, Riverview, 382 Havelock Road, Singapore 169629. **There will be no option for shareholders to participate virtually.**
- This Proxy Form is not valid for use and shall be ineffective for all intents and purposes, if used or purported to be used by CPF and SRS investors.
- CPF and SRS investors:
  - may vote at the AGM if they are appointed as proxies by their respective CPF Agent Banks or SRS Operators, and should contact their respective CPF Agent Banks or SRS Operators if they have any queries regarding their appointment as proxies; or
  - may appoint the Chairman of the Meeting as proxy to vote on their behalf at the AGM in which case they should their respective CPF Agent Banks or SRS Operators.
- By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms out in the Notice of AGM dated 12 April 2024.
- Please read the notes overleaf which contain instructions on, inter alia, the appointment of proxy(ies).

\*I/We \_\_\_\_\_ (Name)

\_\_\_\_\_ (\*NRIC/Passport/Co. Reg Number)

of \_\_\_\_\_ (Address)

being of a \*member/members of Gallant Venture Ltd. (the "**Company**"), hereby appoint:

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

\* and/or

Name	Address	NRIC/Passport Number	Proportion of Shareholdings	
			No. of Shares	%

or failing \*him/them, the Chairman of the Meeting as \*my/our \*proxy/proxies to attend, speak and vote for \*me/us on \*my/our behalf at the Annual General Meeting of the Company ("**AGM**") to be held at 10.00 a.m. on Monday, 29 April 2024 at Jubilee Ballroom, Level 4, Four Points By Sheraton Singapore, Riverview, 382 Havelock Road, Singapore 169629 and at any adjournment thereof. Voting will be conducted by poll. \*I/We direct \*my/our \* proxy/proxies to vote for or against or to abstain from voting on the resolutions to be proposed at the AGM as indicated below.

No.	Resolutions	For <sup>^</sup>	Against <sup>^</sup>	Abstain <sup>^</sup>
<b>Ordinary Business</b>				
1.	To receive and adopt the Audited Financial Statements, Directors' Statement and Auditor's Report for the financial year ended 31 December 2023			
2.	To approve Directors' fee of S\$455,000 for the financial year ended 31 December 2023			
3.	To re-elect Mr Choo Kok Kiong as a Director			
4.	To appoint Mr Tan Boon Hwa as a Director			
5.	To appoint Mr I Gusti Putu Suryawirawan as a Director			
6.	To re-appoint Foo Kon Tan LLP as Auditors and to authorise the Directors to fix their remuneration			
<b>Special Business</b>				
7.	To authorise Directors to issue shares pursuant to Section 161 of the Companies Act 1967 of Singapore			
8.	To approve the renewal of the IPT Mandate for Interested Person Transactions			
9.	To approve the renewal of the Share Purchase Mandate			

\* Delete as appropriate

<sup>^</sup> If you wish to exercise all your votes "For" or "Against" the resolutions or if you wish to abstain from voting on the resolutions in respect of all your votes, please indicate with an "x" or a "✓" within the box provided. Alternatively, if you wish to exercise some and not all your votes "For", "Against" or "Abstain", please indicate the number of votes "For", the number of votes "Against" and/or the number of votes "Abstain" in the boxes provided for the resolutions. For avoidance of doubt, if you are required to abstain from voting on the resolutions, you must abstain in respect of all (and not some only) your votes.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2024

<b>Total Number of Shares held</b>	
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Signature(s) or Common Seal of Members



## NOTES TO PROXY FORM

1. If the member has shares entered against his/her/its name in the Depository Register (maintained by The Central Depository (Pte) Limited), he/she/it should insert that number of shares. If the member has shares registered in his/her/its name in the Register of Members (maintained by or on behalf of the Company), he/she/it should insert that number of shares. If the member has shares entered against his/her/its name in the Depository Register and shares registered in his/her/its name in the Register of Members, he/she/it should insert the aggregate number of shares. If no number is inserted, this instrument appointing a proxy(ies) will be deemed to relate to all the shares held by the member.
2. (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies to attend, speak and vote at the AGM. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.  
(b) A member who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

**"Relevant intermediary"** has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member who wishes to appoint a proxy(ies) must complete the instrument appointing a proxy(ies), before submitting it in the manner set below.

3. A proxy need not be a member of the Company. A member may choose to appoint the Chairman of the Meeting as his/her/its proxy.
4. The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:
  - (a) if submitted personally or by post, be lodged at the Company's registered address at 3 HarbourFront Place #16-01 HarbourFront Tower Two, Singapore; or

*fold here*

Affix  
Postage  
Stamp

The Company Secretary  
**GALLANT VENTURE LTD.**  
3 HarbourFront Place  
#16-01 HarbourFront Tower Two  
Singapore 099254

*fold here*

- (b) if submitted electronically, be submitted via email to the Company at [proxy\\_forms@gallantventure.com](mailto:proxy_forms@gallantventure.com),  
in either case, by 10.00 a.m. on 26 April 2024, being 72 hours before the time appointed for holding the AGM.
5. Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
6. The instrument appointing a proxy(ies) must be signed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.
7. Where an instrument appointing a proxy(ies) is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must (failing previous registration with the Company), if the instrument is submitted personally or by post, be lodged with the instrument or, if the instrument is submitted electronically via email, be emailed with the instrument, failing which the instrument may be treated as invalid.
8. The Company shall be entitled to reject an instrument appointing a proxy(ies) which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of a member whose shares are entered in the Depository Register, the Company may reject an instrument appointing a proxy(ies) if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.
9. By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms out in the Notice of AGM dated 12 April 2024.



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**GALLANT VENTURE LTD.**

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