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**GALLANT VENTURE LTD.  
INTERIM FINANCIAL RESULTS  
FOR THE FIRST HALF ENDED 30 JUNE 2022**

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## FINANCIAL STATEMENTS

### (a) Condensed interim consolidated statement of comprehensive income

	Note	The Group		Incr/ (Decr) %
		6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000	
Revenue	4	75,764	72,559	4
Cost of sales		(54,220)	(53,526)	1
Gross profit		21,544	19,033	13
Other expenses		(6,534)	(3,590)	82
General and administrative expenses		(10,112)	(7,649)	32
Other operating expenses		(12,390)	(11,476)	8
Share of associate companies' results		7,957	(7,641)	n.m
Finance costs		(10,722)	(8,542)	26
<b>Loss before taxation</b>		<b>(10,257)</b>	<b>(19,865)</b>	<b>(48)</b>
Taxation	5(b)	(7,110)	(6,804)	4
<b>Loss after taxation</b>	5(a)	<b>(17,367)</b>	<b>(26,669)</b>	<b>(35)</b>
Other comprehensive income/(loss) after taxation:				
<u>Items that are/may be reclassified subsequently to profit or loss</u>				
Currency translation differences from foreign subsidiaries		(71)	(58)	22
Share of other comprehensive (loss)/income of associates				
- Currency translation differences		(8,233)	(8,078)	2
- Fair value of cash flow hedges		3,306	10,313	(68)
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Share of other comprehensive loss of associates				
- Change in fair value on equity instruments at fair value through other comprehensive income		-	(4,556)	n.m
- Remeasurements of defined benefit plans		(4)	(3,095)	(100)
Other comprehensive loss for the period after taxation		(5,002)	(5,474)	(9)
<b>Total comprehensive loss for the period</b>		<b>(22,369)</b>	<b>(32,143)</b>	<b>(30)</b>
<b>Loss attributable to:</b>				
- Equity holders of the Company		(16,810)	(25,251)	(33)
- Non-controlling interests		(557)	(1,418)	(61)
		(17,367)	(26,669)	(35)
<b>Total comprehensive loss attributable to:</b>				
- Equity holders of the Company		(21,808)	(30,723)	(29)
- Non-controlling interests		(561)	(1,420)	(60)
		(22,369)	(32,143)	(30)
<b>Loss per share</b>		<b>Cents</b>	<b>Cents</b>	
- Basic	6	0.308	0.465	
- Diluted		0.308	0.465	

"n.m" denotes not meaningful

## FINANCIAL STATEMENTS

### (b) Condensed interim consolidated statement of financial position

	Note	The Group		The Company	
		30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
<b>Assets</b>					
<b>Non-Current</b>					
Intangible assets	9	153	187	-	-
Property, plant and equipment	10	134,073	134,843	9	15
Right-of-use assets		3,444	3,272	1,115	1,249
Investment properties	11	89,507	95,067	-	-
Subsidiaries	12	-	-	1,125,306	1,123,985
Associates	13	392,145	389,347	381,948	381,948
Deferred tax assets		1,533	1,627	-	-
Trade and other receivables	14	285	93	620	172
Other non-current assets	15	1,286	2,402	148	181
		<b>622,426</b>	<b>626,838</b>	<b>1,509,146</b>	<b>1,507,550</b>
<b>Current</b>					
Land inventories		597,739	597,371	-	-
Other inventories		6,653	7,587	-	-
Trade and other receivables	14	52,422	43,912	77,301	77,258
Cash and cash equivalents		115,537	134,080	617	796
		<b>772,351</b>	<b>782,950</b>	<b>77,918</b>	<b>78,054</b>
<b>Total assets</b>		<b>1,394,777</b>	<b>1,409,788</b>	<b>1,587,064</b>	<b>1,585,604</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		(1,279,716)	(1,262,906)	(1,331,781)	(1,307,419)
Reserves		108,137	113,363	80,000	80,000
Equity attributable to equity holders of the Company		<b>791,828</b>	<b>813,864</b>	<b>711,626</b>	<b>735,988</b>
Non-controlling interests		6,645	7,206	-	-
<b>Total equity</b>		<b>798,473</b>	<b>821,070</b>	<b>711,626</b>	<b>735,988</b>
<b>Liabilities</b>					
<b>Non-Current</b>					
Deferred tax liabilities		2,347	2,377	-	-
Borrowings	18	356,896	362,385	266,622	269,827
Employee benefits liabilities		15,180	15,876	-	-
Other non-current liabilities		29,998	28,089	54	88
Lease liabilities		3,236	2,883	1,672	1,915
Contract liabilities		21,763	21,442	-	-
		<b>429,420</b>	<b>433,052</b>	<b>268,348</b>	<b>271,830</b>
<b>Current</b>					
Borrowings	18	30,642	23,007	442,448	419,666
Lease liabilities		929	1,114	475	463
Trade and other payables	19	122,092	119,687	164,066	156,531
Contract liabilities		6,820	3,391	-	-
Current tax payable		6,401	8,467	101	1,126
		<b>166,884</b>	<b>155,666</b>	<b>607,090</b>	<b>577,786</b>
<b>Total liabilities</b>		<b>596,304</b>	<b>588,718</b>	<b>875,438</b>	<b>849,616</b>
<b>Total equity and liabilities</b>		<b>1,394,777</b>	<b>1,409,788</b>	<b>1,587,064</b>	<b>1,585,604</b>

## FINANCIAL STATEMENTS

### (c) Condensed interim consolidated statement of changes in equity (The Group)

	Attributable to equity holders 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>Balance as at 1 January 2022</b>	<b>1,963,457</b>	<b>(50)</b>	<b>80,000</b>	<b>(5,745)</b>	<b>653</b>	<b>38,726</b>	<b>(271)</b>	<b>(1,262,906)</b>	<b>813,864</b>	<b>7,206</b>	<b>821,070</b>
Loss for the period	-	-	-	-	-	-	-	(16,810)	(16,810)	(557)	(17,367)
Share of other comprehensive (loss)/ income of associates	-	-	-	(8,233)	3,306	-	(4)	-	(4,931)	-	(4,931)
Other comprehensive loss	-	-	-	(67)	-	-	-	-	(67)	(4)	(71)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,300)</b>	<b>3,306</b>	<b>-</b>	<b>(4)</b>	<b>(16,810)</b>	<b>(21,808)</b>	<b>(561)</b>	<b>(22,369)</b>
Share of reserves of associates	-	-	-	-	-	-	(228)	-	(228)	-	(228)
<b>Balance as at 30 June 2022</b>	<b>1,963,457</b>	<b>(50)</b>	<b>80,000</b>	<b>(14,045)</b>	<b>3,959</b>	<b>38,726</b>	<b>(503)</b>	<b>(1,279,716)</b>	<b>791,828</b>	<b>6,645</b>	<b>798,473</b>
Balance as at 1 January 2021	1,958,546	(50)	80,000	(12,607)	(6,956)	-	488	(1,207,331)	812,090	13,554	825,644
Loss for the period	-	-	-	-	-	-	-	(25,251)	(25,251)	(1,418)	(26,669)
Share of other comprehensive (loss)/ income of associates	-	-	-	(8,078)	10,313	(4,556)	(3,095)	-	(5,416)	-	(5,416)
Other comprehensive loss	-	-	-	(56)	-	-	-	-	(56)	(2)	(58)
<b>Total comprehensive (loss)/income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,134)</b>	<b>10,313</b>	<b>(4,556)</b>	<b>(3,095)</b>	<b>(25,251)</b>	<b>(30,723)</b>	<b>(1,420)</b>	<b>(32,143)</b>
Share of reserves of associates	-	-	-	-	-	-	29,374	-	29,374	-	29,374
<b>Balance as at 30 June 2021</b>	<b>1,958,546</b>	<b>(50)</b>	<b>80,000</b>	<b>(20,741)</b>	<b>3,357</b>	<b>(4,556)</b>	<b>26,767</b>	<b>(1,232,582)</b>	<b>810,741</b>	<b>12,134</b>	<b>822,875</b>

## FINANCIAL STATEMENTS

### (c) Condensed interim consolidated statement of changes in equity (The Company)

	Share Capital \$'000	Treasury Shares \$'000	Capital reserve \$'000	Accumulated losses \$'000	Total \$'000
<b>Balance as at 1 January 2022</b>	<b>1,963,457</b>	<b>(50)</b>	<b>80,000</b>	<b>(1,307,419)</b>	<b>735,988</b>
<b>Total comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(24,362)</b>	<b>(24,362)</b>
<b>Balance as at 30 June 2022</b>	<b>1,963,457</b>	<b>(50)</b>	<b>80,000</b>	<b>(1,331,781)</b>	<b>711,626</b>
Balance as at 1 January 2021	1,958,546	(50)	80,000	(1,262,795)	775,701
Total comprehensive loss for the period	-	-	-	(17,920)	(17,920)
Balance as at 30 June 2021	1,958,546	(50)	80,000	(1,280,715)	757,781

## FINANCIAL STATEMENTS

### (d) Condensed interim consolidated statement of cash flows

	Note	The Group	
		6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
<b>Cash Flows from Operating Activities</b>			
Loss before taxation		(10,257)	(19,865)
Adjustments for:			
Amortisation of intangible assets	9	34	28
Depreciation of property, plant and equipment, investment properties and right-of-use assets		13,410	15,106
Gain on disposal of property, plant and equipment	10	(6)	-
Write off unamortised transaction costs in relation to previous bank borrowings		-	2,758
Net impairment of trade and other receivables		76	65
Provision for employees' benefits		528	587
Interest expense		10,722	8,542
Interest income		(1,407)	(1,401)
Share of associate companies' results		(7,957)	7,641
<b>Operating profit before working capital changes</b>		<b>5,143</b>	<b>13,461</b>
Increase in land inventories		(368)	(571)
Decrease/(increase) in other inventories		931	(86)
(Increase)/decrease in operating receivables		(7,361)	9,516
Decrease/(increase) in operating payables and contract liabilities		19,591	(16,885)
<b>Cash generated from operating activities</b>		<b>17,936</b>	<b>5,435</b>
Income tax paid		(10,763)	(8,823)
Interest paid		(10,100)	(8,566)
Interest received		1,087	1,258
Employee benefit paid		(656)	(412)
<b>Net cash used in operating activities</b>		<b>(2,496)</b>	<b>(11,108)</b>
<b>Cash Flows from Investing Activities</b>			
Acquisition of intangible assets	9	-	(30)
Acquisition of property, plant and equipment (incl. ROU assets)		(7,134)	(6,619)
Acquisition of investment properties	11	(210)	-
Proceeds from disposal of property, plant and equipment		29	5
<b>Net cash used in investing activities</b>		<b>(7,315)</b>	<b>(6,644)</b>
<b>Cash Flows from Financing Activities</b>			
Payment of principal portion of lease liabilities		(642)	(703)
Proceeds from borrowings		-	396,097
Repayment of borrowings		(8,054)	(331,454)
<b>Net cash (used in)/generated from financing activities</b>		<b>(8,696)</b>	<b>63,940</b>
(Decrease)/increase in cash and cash equivalents		(18,507)	46,188
Cash and cash equivalents at beginning of period		134,080	106,807
Effect of currency translation on cash and cash equivalents		(36)	(19)
<b>Cash and cash equivalents at end of period</b>		<b>115,537</b>	<b>152,976</b>

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 1 General information

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

These condensed interim consolidated financial statements as at and for the six months ended 30 June 2022, comprise the Company and its subsidiaries (“the Group”). The principal activity of the Company is investment holding. The principal activities of the Group are:

- (a) utilities provider;
- (b) master planner and developer of industrial parks;
- (c) property developer; and
- (d) master planner and developer of resorts.

#### 2(a) Basis of preparation

The condensed interim financial statements for the six months ended 30 June 2022 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2(b). The condensed interim 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(b) New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

#### 2(c) Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as of and for the year ended 31 December 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.



## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 2(c) Use of judgements and estimates

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

##### (i) Going Concern

As at 30 June 2022, the Company's current liabilities exceeded its current assets by S\$529,172,000 (31 December 2021 – S\$499,732,000). The Company's net current liability position is mainly due to the Company's loan from subsidiaries of S\$421,794,000 (31 December 2021 – S\$404,573,000) and amount owing to its subsidiaries of S\$88,193,000 (31 December 2021 – S\$80,636,000). Excluding the loans and amount owing to its subsidiaries, the Company's net current liabilities was S\$19,185,000 as at 30 June 2022 (31 December 2021 – S\$14,523,000). 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.

As at 30 June 2022, the Group has cash and cash equivalents of S\$115,537,000 (31 December 2021 – S\$134,080,000) and net current assets of S\$605,467,000 (31 December 2021 – S\$627,284,000) which is able to support its working capital requirements. The Group has outstanding borrowings of S\$30,642,000 as at 30 June 2022 (31 December 2021 – S\$23,007,000) which is due within 12 months after the end of reporting period.

The Group is of the view that the preparation of financial statements on a going concern basis is appropriate having regard the following reasons:

- the Group has unutilised credit facilities of up to approximately S\$20 million;
- the Group is able to continue to raise funds through bank borrowings and capital market; and
- the Group is able to collect its total trade receivables as they fall due to repay its current liabilities.

##### (ii) Classification of properties as investment properties (Note 11)

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 supply of building management services and/or for administration purposes.

##### (iii) Investment in Associates (Note 13)

Judgement is required when the Group assessed whether it has control or 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 associate companies.

#### 2(c) Use of judgements and estimates

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

##### (i) Impairment assessment of goodwill (Note 9)

Goodwill is tested for impairment annually and whenever there are indications that the goodwill may be impaired.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 2(c) Use of judgements and estimates (Cont'd)

(i) Impairment assessment of goodwill (Note 9) (Cont'd)

The assessment of impairment of goodwill is determine based on the recoverable amount of the Group's smallest cash-generating units ("CGU"), either at the business segment or entity level. The recoverable amount of the CGU is determined based on value-in-use calculation.

(ii) 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.

(iii) Impairment assessment of investment in subsidiaries and associates (Notes 12 and 13)

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 and there is no impairment loss required.

The carrying amount of the Company's investment in subsidiaries and investment in associates as at 30 June 2022 are S\$1,125,306,000 (31 December 2021 – S\$1,123,985,000) and S\$381,948,000 (31 December 2021 – S\$381,948,000) respectively.

(iv) Impairment assessment of property, plant and equipment (Note 10)

Determining whether property, plant and equipment 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. Based on the management's assessment, there are no indication of impairment in value of property, plant and equipment as of 30 June 2022.

The carrying amount of the Group's property, plant and equipment as at 30 June 2022 is S\$134,073,000 (31 December 2021 – S\$134,843,000).

### 3 Seasonal fluctuations

Save for the resort operations segment, the Group's businesses are generally not affected significantly by seasonal or cyclical factors during the financial period. Historically, the peak demand for the Group's ferry services and resort related services is in first quarter, June and December of each year that coincides with Singapore school holidays.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 4 Segment and revenue information

##### (a) Segment information

The Group is organised into the following reportable operating segments as follows:-

##### (i) 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.

##### (ii) 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.

##### (iii) Resort operations segment

The resort operations segment is engaged in the activities of provision of services to resort operators in Bintan Resort including ferry terminal operations, workers accommodation, security, fire-fighting services and facilities required by resort operators.

##### (iv) Property development segment

Property development segment is engaged in the activities of developing industrial and resort properties in Batam Island and Bintan Island.

These operating segments are reported in a manner consistent with internal reporting provided to the management who are responsible for allocating resources and assessing performance of the operating segments

##### (b) Geographical segments

The Group operates mainly in Indonesia. Accordingly, analysis by geographical segments is not presented.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 4 Segment and revenue information

##### (c) Reportable segments

The Group	Industrial parks \$'000	Utilities \$'000	Resort operations \$'000	Property development \$'000	Corporate \$'000	Adjustment/ Elimination \$'000	Total \$'000
<b>6 months ended 30 June 2022</b>							
<b>Operating revenue</b>							
External sales	19,483	53,117	3,159	5	-	-	75,764
Inter segment sales	-	-	4	66	-	(70)	-
Total revenue	<u>19,483</u>	<u>53,117</u>	<u>3,163</u>	<u>71</u>	<u>-</u>	<u>(70)</u>	<u>75,764</u>
<b>Segment results</b>							
Profit/(loss) from operations	<u>5,455</u>	<u>15,327</u>	<u>(6,834)</u>	<u>(6,705)</u>	<u>(14,735)</u>	<u>-</u>	<u>(7,492)</u>
Share of associates' results							7,957
Finance costs							<u>(10,722)</u>
Loss before taxation							<u>(10,257)</u>
Taxation							<u>(7,110)</u>
Loss after taxation							<u>(17,367)</u>
<b>30 June 2022</b>							
<b>Assets and liabilities</b>							
Segment assets	<u>90,059</u>	<u>106,947</u>	<u>17,823</u>	<u>665,403</u>	<u>5,329</u>	<u>-</u>	<u>885,561</u>
Associates							392,145
Unallocated corporate assets							<u>117,071</u>
Total assets							<u>1,394,777</u>
Segment liabilities	<u>31,685</u>	<u>59,787</u>	<u>9,948</u>	<u>22,111</u>	<u>82,888</u>	<u>-</u>	<u>206,419</u>
Unallocated corporate liabilities							<u>389,885</u>
Total liabilities							<u>596,304</u>

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 4 Segment and revenue information (Cont'd)

##### (c) Reportable segments (Cont'd)

The Group	Industrial parks \$'000	Utilities \$'000	Resort operations \$'000	Property development \$'000	Corporate \$'000	Adjustment/ Elimination \$'000	Total \$'000
<b>6 months ended 30 June 2021</b>							
<b>Operating revenue</b>							
External sales	19,348	50,916	491	1,804	-	-	72,559
Inter segment sales	-	-	5	65	-	(70)	-
Total revenue	19,348	50,916	496	1,869	-	(70)	72,559
<b>Segment results</b>							
Profit/(loss) from operations	5,216	14,577	(9,261)	(4,291)	(9,923)	-	(3,682)
Share of associates' results							(7,641)
Finance costs							(8,542)
Loss before taxation							(19,865)
Taxation							(6,804)
Loss after taxation							(26,669)
<b>30 June 2021</b>							
<b>Assets and liabilities</b>							
Segment assets	100,226	121,051	16,143	667,977	5,036	-	910,433
Associates							371,414
Unallocated corporate assets							154,598
Total assets							1,436,445
Segment liabilities	28,812	52,161	8,283	29,387	85,134	-	203,777
Unallocated corporate liabilities							409,793
Total liabilities							613,570

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 4 Segment and revenue information (Cont'd)

##### (d) Disaggregated revenue information

Segments	6 months ended 30 June 2022				
	Industrial park \$'000	Utilities \$'000	Resort operations \$'000	Property development \$'000	Total \$'000
<b>Type of goods or services</b>					
Rendering of services	2,726	-	184	-	2,910
Electricity and water supply	-	50,829	-	-	50,829
Sale of residential units/land	-	-	-	-	-
Golf revenue	743	-	-	-	743
Ferry services	-	-	2,347	-	2,347
Telecommunication	-	2,288	-	-	2,288
Others	545	-	420	-	965
<b>Revenue from contracts with customers</b>					
	4,014	53,117	2,951	-	60,082
Rental income	15,469	-	208	5	15,682
<b>Total revenue</b>	<b>19,483</b>	<b>53,117</b>	<b>3,159</b>	<b>5</b>	<b>75,764</b>
<b>Timing of revenue recognition</b>					
At a point in time	4,014	50,829	2,657	-	57,500
Over time	-	2,288	294	-	2,582
<b>Revenue from contracts with customers</b>					
	4,014	53,117	2,951	-	60,082

Segments	6 months ended 30 June 2021				
	Industrial park \$'000	Utilities \$'000	Resort operations \$'000	Property development \$'000	Total \$'000
<b>Type of goods or services</b>					
Rendering of services	2,491	-	176	-	2,667
Electricity and water supply	-	48,990	-	-	48,990
Sale of residential units/land	930	-	-	1,800	2,730
Golf revenue	555	-	-	-	555
Ferry services	-	-	5	-	5
Telecommunication	-	1,926	-	-	1,926
Others	682	-	119	-	801
<b>Revenue from contracts with customers</b>					
	4,658	50,916	300	1,800	57,674
Rental income	14,690	-	191	4	14,885
<b>Total revenue</b>	<b>19,348</b>	<b>50,916</b>	<b>491</b>	<b>1,804</b>	<b>72,559</b>
<b>Timing of revenue recognition</b>					
At a point in time	4,658	48,990	95	1,800	55,543
Over time	-	1,926	205	-	2,131
<b>Revenue from contracts with customers</b>					
	4,658	50,916	300	1,800	57,674

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 5 Loss after taxation

##### 5(a) Significant items

The loss from continuing operations, net of tax has been arrived after charging/(crediting) the following significant items:-

	Note	The Group	
		6 months ended	6 months ended
		30 June 2022	30 June 2021
		\$'000	\$'000
Amortisation of intangible assets	10	34	28
Depreciation of property, plant and equipment, and right-of-use asset		7,659	9,381
Depreciation of investment properties	11	5,751	5,725
Gain on disposal of property, plant and equipment		(6)	-
Allowance of impairment loss for trade and other receivables		76	65
Provision for employee benefits		528	587
Write off unamortised transaction costs in relation to the previous bank borrowings		-	2,758
Exchange loss		9,025	2,473
Interest income		(1,407)	(1,401)
Interest expense		10,722	8,542

##### 5(b) Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	The Group	
	6 months ended	6 months ended
	30 June 2022	30 June 2021
	\$'000	\$'000
Current income tax expense	6,962	6,735
Deferred income tax expense/(income) relating to origination and reversal of temporary differences	148	69
	<b>7,110</b>	<b>6,804</b>

#### 6 Loss per share

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 (30 June 2021 - 5,424,848,361) shares during the financial period.

Fully diluted loss per share was calculated on the consolidated losses attributable to owners of the parent divided by 5,463,155,283 (30 June 2021 - 5,424,848,361) ordinary shares.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 6 Loss per share (Cont'd)

The calculation of basic and diluted loss per share is based on:

- (i) Loss used in calculating loss per share

	<u>The Group</u>	
	6 months ended 30 June 2022 \$'000	6 months ended 30 June 2021 \$'000
Loss attributable to equity holders of the Company	<u>16,810</u>	<u>25,251</u>

- (ii) Weighted average number of ordinary shares used in calculating loss per share

	<u>The Group</u>	
	6 months ended 30 June 2022 '000	6 months ended 30 June 2021 '000
Weighted average number of ordinary shares for basic loss and diluted loss per share	<u>5,463,155</u>	<u>5,424,848</u>

As at 30 June 2022 and 31 December 2021, 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.

#### 7 Net asset value

	<u>The Group</u>		<u>The Company</u>	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
Net asset value per ordinary share	<b>14.49 cents</b>	14.90 cents	<b>13.03 cents</b>	13.47 cents

The net asset value per ordinary share is calculated using the Group's net assets value as at end of each period divided by the share capital of 5,463,155,283 ordinary shares as at 30 June 2022 and 31 December 2021, respectively.

#### 8 Dividends

The Board of Directors ("Board") does not recommend any dividends for 1H 2022 as the Company is committing its cash resources to further develop and expand its Industrial Parks businesses.



## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 9 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>
<b>At 31 December 2021</b>					
Cost	1,814	2,088	3,902	676	676
Accumulated amortization and impairment	(1,814)	(1,901)	(3,715)	(676)	(676)
Net book value	-	187	187	-	-
<b>6 months ended 30 June 2022</b>					
Opening net book value	-	187	187	-	-
Additions	-	-	-	-	-
Amortisation charge	-	(34)	(34)	-	-
<b>Closing net book value</b>	-	153	153	-	-

#### 9(a) Goodwill impairment

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.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 10 Property, plant and equipment

The Group	Leasehold land and improve- ments \$'000	Land improve- ments and landfill \$'000	Building and infrastru- -ctures \$'000	Golf course \$'000	Utilities plant and machinery \$'000	Machinery and equipment \$'000	Vessels and ferry equipment \$'000	Working wharf and reservoir \$'000	Transport -ation equipment and vehicles \$'000	Furniture, fixtures and equipment \$'000	Construc- -tion in progress \$'000	Total \$'000
<b>At 31 December 2021</b>												
Cost	96,330	9,420	225,524	25,307	288,036	94,847	56,932	11,698	5,613	24,795	2,712	841,214
Accumulated depreciation	(29,947)	(9,281)	(215,698)	(15,197)	(272,105)	(82,545)	(44,309)	(10,573)	(5,310)	(21,406)	-	(706,371)
Net book value	66,383	139	9,826	10,110	15,931	12,302	12,623	1,125	303	3,389	2,712	134,843
<b>6 months ended 30 June 2022</b>												
Opening net book value	66,383	139	9,826	10,110	15,931	12,302	12,623	1,125	303	3,389	2,712	134,843
Additions	-	-	515	-	21	702	97	-	21	277	4,831	6,464
Disposal	-	-	-	-	-	(1)	-	-	-	-	(21)	(22)
Exchange differences	-	-	(13)	-	-	(45)	-	-	(1)	-	(25)	(84)
Reclassification/transfers	-	-	-	-	-	17	-	-	-	-	25	42
Depreciation for the period	(982)	(10)	(1,129)	(272)	(1,714)	(1,115)	(1,250)	(197)	(126)	(375)	-	(7,170)
Closing net book value	65,401	129	9,199	9,838	14,238	11,860	11,470	928	197	3,291	7,522	134,073
<b>The Company</b>												
<b>At 31 December 2021</b>												
Cost	242	-	-	-	-	281	-	-	-	126	-	649
Accumulated depreciation	(242)	-	-	-	-	(266)	-	-	-	(126)	-	(634)
Net book value	-	-	-	-	-	15	-	-	-	-	-	15
<b>6 months ended 30 June 2022</b>												
Opening net book value	-	-	-	-	-	15	-	-	-	-	-	15
Depreciation for the period	-	-	-	-	-	(6)	-	-	-	-	-	(6)
Closing net book value	-	-	-	-	-	9	-	-	-	-	-	9

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 11 Investment properties

The Group's investment properties consist of factories, dormitories, commercial complex and housing in Batamindo Industrial Park and Batamindo Executive Village in Batam Island and Bintan Inti Industrial Estate and villas in Bintan Island. Investment properties of the Group are held mainly for use by tenants under operating leases.

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.

<b>The Group</b>	<b>\$'000</b>
<b>At 31 December 2021</b>	
Cost	603,141
Accumulated depreciation	(508,074)
<b>Net book value</b>	<b>95,067</b>
<b>6 months ended 30 June 2021</b>	
Opening net book value	95,067
Addition	210
Translation differences	(19)
Depreciation for the period	(5,751)
<b>Closing net book value</b>	<b>89,507</b>

#### 12 Subsidiaries

	<b>The Company</b>	
	<b>30 June 2022 \$'000</b>	<b>31 December 2021 \$'000</b>
<u>Unquoted equity shares, at cost</u>		
Balance on beginning of period/year	1,228,343	1,208,350
Addition <sup>(1)</sup>	1,321	5,020
Balance at end of year	1,229,664	1,213,370
Amount due from subsidiary being net extension of investment	-	14,973
	<b>1,229,664</b>	<b>1,228,343</b>
<u>Less: Accumulated impairment</u>		
Balance on beginning of period/year	(104,358)	(86,265)
Impairment loss <sup>(2)</sup>	-	(18,093)
Balance at end of period/year	<b>(104,358)</b>	<b>(104,358)</b>
Net investment	<b>1,125,306</b>	<b>1,123,985</b>

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.

For the first half ended 30 June 2022, the management has assessed that no impairment loss was required as the recoverable amounts of the investment in subsidiaries were higher than the cost of investment.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 12 Subsidiaries (Cont'd)

- (1) Please refer to Note 12(a) for details of acquisition of Singapore-Bintan Resort Holdings Pte Ltd.

In 2021, the Company and its subsidiary, PT Batamindo Investment Cakrawala incorporated three wholly-owned subsidiaries in Indonesia, PT Batamindo Solar Perkasa, PT Batamindo Green Perkasa and PT Batamindo Digital Perkasa with shareholding of 1% and 99% respectively. Each subsidiary has an issued and paid-up capital of IDR 10,621,000,000 (approximately S\$1,348,839). On 25 May 2022, the Company has undertaken an internal restructuring by acquiring 9,800 shares, representing 98% in the share capital of PT Batamindo Solar Perkasa from its subsidiary, PT Batamindo Investment Cakrawala. The restructuring is to streamline the Group's corporate structure for improved business planning.

- (2) In 2021, the Company recognised an impairment loss of S\$1,570,000 for its total direct shareholding in PT Bintan Resort Cakrawala and S\$16,523,000 in Singapore-Bintan Resort Holdings Pte Ltd as the recoverable amounts were lower than the cost of investment.

#### 12(a) Acquisition of subsidiary

##### For the year ended 31 December 2021

On 6 July 2021, the Company acquired a 66.25% of equity interest in Singapore-Bintan Resort Holdings Pte Ltd ("SBRH") by issuing 38,306,922 new ordinary shares in the capital of the Company for the full settlement of the purchase consideration. SBRH is a single-asset investment holding company, whose only asset is shares representing 13.23% in PT Bintan Resort Cakrawala ("PT BRC"), a company incorporated in Indonesia. The remaining 86.77% shares in PT BRC are held by the Group. The acquisition of SBRH will allow the Group to have full control over PT BRC to explore various strategic options for its investments in PT BRC so as to enhance its future value once the tourism industry recovers from COVID-19.

For the seven months ended 31 December 2021, SBRH contributed a net loss of S\$9,714 to the Group's results. If the acquisition had occurred on 1 January 2021, the net loss from SBRH would be S\$10,089.

Details of the consideration, assets acquired, liabilities assumed and goodwill arising, and the effects on the cash flows of the group on 6 July 2021 were as follows:

	<b>SBRH \$'000</b>
<u>Consideration transferred for the acquisition</u>	
Shares issued, at fair value (38,306,922 ordinary shares of the Company)	4,980
Total purchase consideration	<u>4,980</u>
<u>Identifiable assets acquired and liabilities assumed at fair value</u>	
Cash and cash equivalents	1
Investment in equity	4,999
Trade and other payables	<u>(221)</u>
Identifiable net assets acquired	4,779
Less: Non-controlling interests	<u>(1,613)</u>
	<u>3,166</u>
<u>Goodwill arising on acquisition</u>	
Consideration transferred	4,980
Less: Fair value of identifiable net assets acquired, net of non-controlling interests	<u>(3,166)</u>
Goodwill arising on acquisition (Note 9)	<u>1,814</u>
<u>Effects on cash flows of the Group</u>	
Cash consideration paid	-
Less: Cash and cash equivalents of subsidiary acquired	<u>1</u>
Net cash inflows on acquisition	<u>1</u>

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 13 Associates

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
<u>Carrying amount</u>				
Beginning of the period/ year	389,347	355,097	381,948	381,948
	<b>389,347</b>	355,097	<b>381,948</b>	381,948
Group' share of :-				
- Profit/(Loss)	7,957	(16,747)	-	-
- OCI	(4,931)	51,516	-	-
- Total comprehensive income	3,026	34,769	-	-
Dividend received during the period/year	-	(1,010)	-	-
Group's share other reserves	(228)	491	-	-
End of the period/year	<b>392,145</b>	389,347	<b>381,948</b>	381,948

#### 14 Trade and other receivables

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Trade receivables	33,586	30,495	-	-
Other receivables:				
- Refundable deposits	1,446	324	1,281	269
- Amount owing by subsidiaries	-	-	73,465	73,904
- Amount owing by related parties	1,558	1,582	-	-
- Lease receivables	366	406	796	882
- Others	12,885	9,282	2,149	2,129
	<b>16,255</b>	11,594	<b>77,691</b>	77,184
Prepayments	2,866	1,916	230	246
Total	<b>52,707</b>	44,005	<b>77,921</b>	77,430
Non-current	285	93	620	172
Current	<b>52,422</b>	43,912	<b>77,301</b>	77,258
	<b>52,707</b>	44,005	<b>77,921</b>	77,430

(i) The amounts are mainly contract assets and advance expenses for the airport project and Bintan Resort's development.

(ii) The prepayments relate to advance payment mainly for renewal of land rights, capital expenditure and operating expense.

#### 15 Other non-current assets

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Other receivables	-	56	-	-
Prepayment	973	1,740	-	-
Deposits	313	606	148	181
	<b>1,286</b>	2,402	<b>148</b>	181

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 16 Share capital

The Company and The Group	No. of ordinary share		Amount	
	30 June 2022	31 December 2021	30 June 2022 \$'000	31 December 2021 \$'000
<b>Issued and fully paid:</b>				
Beginning and end of the period/year	<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 share

The Company and The Group	No. of ordinary share		Amount	
	30 June 2022	31 December 2021	30 June 2022 \$'000	31 December 2021 \$'000
Beginning and end of the period/year	<b>450,000</b>	450,000	<b>(50)</b>	(50)

#### 18 Borrowings

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
(i) Amount payable in one year or less, or on demand				
- Loans from subsidiaries	-	-	<b>421,794</b>	404,573
- Bank loans	<b>30,642</b>	23,007	<b>20,654</b>	15,093
	<b>30,642</b>	23,007	<b>442,448</b>	419,666
(ii) Amount repayable after one year				
- Bank loans	<b>356,896</b>	362,385	<b>266,622</b>	269,827
Total borrowings	<b>387,538</b>	385,392	<b>709,070</b>	689,493
Represented by:				
- Secured	<b>387,538</b>	385,392	<b>287,276</b>	284,920
- Unsecured	-	-	<b>421,794</b>	404,573
	<b>387,538</b>	385,392	<b>709,070</b>	689,493

- (i) On 24 June 2021, the Company and its subsidiary, PT Batamindo Investment Cakrawala ("PT BIC"), 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% 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"), fund 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.

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 18 Borrowings (Cont'd)

(ii) Key terms of the New Facilities are as follows:-

The New Facilities are secured by the Company's and its subsidiaries' assets as follows:-

- (a) 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 Megawisata ("PT BMW") and PT Surya Bangun Pertiwi ("PT SBP");
- (b) Charge on bank accounts of PT BIC, PT BIIE, PT BRC, PT BMW, PT SBP, Bintan Resort Ferries Private Limited ("BRF") and the Company;
- (c) Fiducia Security over insurance claim proceeds, receivables and movable assets of PT BIC and PT BIIE; and
- (d) Pledge of PT Indomobil Sukses Internasional Tbk ("PT IMAS") shares.

Certain covenants as stated below, among others, need to be maintained at the end of the relevant testing period are:

- (a) Net Debt to Adjusted EBITDA shall not exceed between 4.50 to 9.00;
- (b) Debt Service Cover shall not be less than 1.25;
- (c) Minimum Net Worth shall not at any time be less than S\$650 million; and
- (d) Cash balance shall not at any time be less than S\$50 million.

#### 19 Trade and other payables

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
Trade payables	8,324	6,217	-	-
Other payables:				
- Accruals	14,850	10,797	493	882
- Other payables	91,266	96,125	74,170	74,214
- Interest payable on bank loan	1,317	904	1,210	799
- Amount owing to related parties	6,335	5,644	-	-
- Amount owing to subsidiaries	-	-	88,193	80,636
	<b>113,768</b>	113,470	<b>164,066</b>	156,531
Total	<b>122,092</b>	119,687	<b>164,066</b>	156,531

#### 20 Related party transactions

There are no material related party transactions apart from those disclosed elsewhere in the financial statements

## FINANCIAL STATEMENTS

### (e) Notes to the condensed interim consolidated financial statements

#### 21 Financial assets and financial liabilities

The fair values of financial assets are as follows:

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
<b>Financial assets at amortised cost</b>				
Trade and other receivables	49,841	42,089	77,691	77,184
Cash and cash equivalents	115,537	134,080	617	796
Other non-current assets	313	662	148	181
	<b>165,691</b>	<b>176,831</b>	<b>78,456</b>	<b>78,161</b>

The fair values of financial liabilities are as follows:

	The Group		The Company	
	30 June 2022 \$'000	31 December 2021 \$'000	30 June 2022 \$'000	31 December 2021 \$'000
<b>Financial liabilities at amortised cost</b>				
Trade and other payables	122,092	119,687	164,066	156,531
Borrowings	387,538	385,392	709,070	689,493
Other non-current liabilities	29,998	28,089	54	88
Lease liabilities	4,165	3,997	2,147	2,378
	<b>543,793</b>	<b>537,165</b>	<b>875,337</b>	<b>848,490</b>

#### 22 Fair value measurement

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; and
- Level 3: unobservable inputs for the asset or liability.

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 30 June 2022 and 31 December 2021.

#### 23 Subsequent events

There are no known subsequent events which have led to adjustments to this set of financial statements.



## OTHER INFORMATION

### (f) Review of financial statements

The condensed consolidated statements of financial position of the Company and its subsidiaries as at 30 June 2022 and the related condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period ended and certain explanatory notes have not been audited or reviewed.

The Group's latest financial statements for the financial year ended 31 December 2021 are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

- (g) **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

### **Half Year 2022 (1H 2022) vs. Half Year 2021 (1H 2021)**

#### **Profit or Loss**

The Group revenue was S\$75.8 million, 4.4% higher than 1H 2021's S\$72.6 million, and was mainly due to higher revenue from rental and related income and utilities driven by the improved occupancy from the industrial parks segment coupled with improvement in the resort segments as a result of the relaxed travel restrictions with quarantine-free travel arrangements between Bintan and Singapore.

In line with the increased revenue, the Group's cost of sales increased from S\$53.5 million in 1H 2021 to 1H 2022's S\$54.2 million. The Group's cost of sales to revenue ratio was 0.72 in 1H 2022 as compared to 0.74 in 1H 2021. Consequentially, the Group's gross profit increased from S\$19.0 million in 1H 2021 to S\$21.5 million in 1H 2022.

The Group's "other expenses" was S\$6.5 million as compared to S\$3.6 million in 1H 2021 and was mainly due to higher unrealised foreign exchange losses.

The Group's "general and administrative expenses" was higher at S\$10.1 million as compared to 1H 2021's S\$7.6 million and was mainly due to higher manpower related costs.

The Group's "other operating expenses" was higher at S\$12.4 million as compared to 1H 2021's S\$11.5 million and was mainly due to higher marketing expenses and expenses to comply with the COVID-safe travel requirements for resumption of leisure travel between Bintan and Singapore.

The Group recorded share of profit from its associate companies of S\$8.0 million as compared to 1H 2021's loss of S\$7.6 million. This is mainly due to higher profit generated by PT IMAS and BOMC Pte Ltd.

Group's "finance costs" was S\$10.7 million as compared to 1H 2021's S\$8.5 million and was mainly due to rising interest rate of external bank borrowings.

The Group's net loss attributable to equity holder of the Company was lower at S\$16.8 million as compared to 1H 2021's S\$25.3 million.

#### **Financial position**

The Group's total assets of S\$1,394.8 million as at 30 June 2022 were S\$15.0 million lower than the previous year end.

The Group's property, plant and equipment, and investment properties were lower than the previous period and was mainly due to depreciation. The increase in associates was mainly due to higher profit contributions from the associate companies. The decrease in current assets was mainly due to lower cash and cash

equivalents after repayment of bank borrowings and interests.

The Group's total liabilities of S\$596.3 million, were S\$7.6 million higher than the previous year-end and was mainly due to the translation of foreign currency denominated loans. The Group's debts including lease liabilities as of 30 June 2022 were S\$391.7 million as compared to S\$389.4 million as at 31 December 2021.

### **Cash Flow**

For the period under review, net cash outflow from operating activities was S\$2.5 million as compared to S\$11.1 million in the previous period. The Group's cash generated from operating activities of S\$17.9 million was used for the payment of income tax and interest expenses.

The Group had a net cash outflow of S\$7.3 million from investing activities as compared to S\$6.6 million in the previous period which was mainly due to increased capital expenditure for the construction of new factories in Batamindo Industrial park.

The Group had a net cash outflow of S\$8.7 million from financing activities as compared to S\$63.9 million net cash inflow in the previous period. The net cash inflow in the previous period was due to the increase in borrowing arising from the refinancing of its syndicated loans.

The Group's cash and cash equivalents was S\$115.5 million as of 30 June 2022 compared with S\$153.0 million as at 31 December 2021.

**(h) Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed.

**(i) A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

For our industrial parks, the demand for our industrial spaces remains high and we expect this segment to continue to outperform with sustained growth in industrial lettable spaces and rental yield. Our current construction of new factories in Batamindo Industrial park will further add 70,800 sqm of new industrial spaces up to Year 2023. Increased industrial activities will also contribute positively to our utilities segment.

With the removal of travel restrictions in this region, we have seen a gradual increase in tourist arrival and tourism activities in our Bintan Resort. The Group is optimistic that the further easing of global travel restrictions and pent-up demand for leisure travel will fuel travel recovery for Bintan Resort and put it back on the tourist map. While we are positive about the recovery of the tourism sectors and resumption of leisure travel, we continue to exercise prudence and vigilance in managing our businesses and cash flow to safeguard our financial position amid the emergence of new COVID-19 variants that will derail recovery to the travel industry.

- (j) If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 902(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

Name of interested Person	Nature of Relationship	Aggregate value of all interested person transactions entered into during 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)	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>2,531</b>
<b>Purchase of Goods and Services</b>			
Salim Group	See Note (1)	N.A	<b>17,010</b>
IMAS Group	See Note (2)	N.A	<b>37,155</b>
<b>Interest Income</b>			
Salim Group	See Note (1)	N.A	<b>633</b>
<b>Dividend Income</b>			
IMAS Group	See Note (2)	N.A	<b>7,359</b>

**Note:**

- (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 associate companies.

**(k) Disclosure required pursuant to Rule 706A**

During 1H 2022, the Company did not incorporate or acquire any shares resulting in any company becoming a subsidiary or associate company or increasing its shareholding percentage in any subsidiary. Additionally, the Company did not dispose any shares resulting in a company ceasing to be a subsidiary or associate company or decreasing its shareholding percentage in any subsidiary.

**(l) Confirmation that the issuer has procured undertakings from all its directors and executive officers.**

The Company confirms that it has procured undertakings from all its directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the Listing Manual.

**(m) Confirmation pursuant to Rule 705(5) of the Listing Manual.**

The Board of Directors of Gallant Venture Ltd. confirm that, to the best of their knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited interim financial results of the Group and the Company for the First Half Financial Statements for the period ended 30 June 2022 to be false or misleading in any material aspect.

On behalf of the Board of Directors

EUGENE CHO PARK  
DIRECTOR

CHOO KOK KIONG  
DIRECTOR

**BY THE ORDER OF THE BOARD**

CHOO KOK KIONG  
EXECUTIVE DIRECTOR AND COMPANY SECRETARY  
8 AUGUST 2022