

GALLANT VENTURE LTD

Registration Number: 200303179Z

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

Tel +65 63893535

Fax +65 63967758

www.gallantventure.com



**GALLANT VENTURE LTD.
INTERIM FINANCIAL RESULTS
FOR THE FIRST HALF ENDED 30 JUNE 2025**

Contents	Page
Financial Statements	
(a) Condensed interim consolidated statement of comprehensive income	3
(b) Condensed interim consolidated statement of financial position	4
(c) Condensed interim consolidated statement of changes in equity	5
(d) Condensed interim consolidated statement of cash flows	7
(e) Notes to the condensed interim consolidated financial statements	8
Other information	
(f) Review of financial statements	28
(g) Review of performance of the Group	28
(h) Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results	30
(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	30
(j) Interested person transactions	30
(k) Disclosure required pursuant to Rule 706A	31
(l) Confirmation that the issuer has procured undertakings from all its directors and executive officers	31
(m) Confirmation pursuant to Rule 705(5) of the Listing Manual	31

FINANCIAL STATEMENTS

(a) Condensed interim consolidated statement of comprehensive income

	Note	The Group		
		6 months ended 30 June 2025 \$'000	6 months ended 30 June 2024 \$'000	Incr/ (Decr) %
Revenue	4	100,511	93,275	8
Cost of sales		(59,190)	(59,184)	0
Gross profit		41,321	34,091	21
Other income/(expenses)		38,504	(10,516)	n.m
General and administrative expenses		(12,297)	(11,376)	8
Other operating expenses		(15,958)	(14,604)	9
Share of associate companies' results		511	123	315
Finance costs		(21,269)	(19,146)	11
Profit/(Loss) before taxation		30,812	(21,428)	n.m
Taxation	5(b)	(10,287)	(7,533)	37
Profit/(Loss) after taxation	5(a)	20,525	(28,961)	n.m
Other comprehensive (loss)/income after taxation:				
<u>Items that are/may be reclassified subsequently to profit or loss</u>				
Currency translation differences from foreign subsidiaries		(307)	(133)	131
Share of other comprehensive loss of associates				
- Currency translation differences		(42,322)	(20,051)	111
- Fair value of cash flow hedges		(1,722)	(1,877)	(8)
<u>Items that will not be reclassified subsequently to profit or loss</u>				
Share of other comprehensive income of associates		164	125	31
- Remeasurements of defined benefit plans		(44,187)	(21,936)	101
Other comprehensive loss for the period after taxation		(23,662)	(50,897)	(54)
Total comprehensive loss for the period		(23,662)	(50,897)	(54)
Profit/(Loss) attributable to:				
- Owners of the Company		20,366	(28,994)	n.m
- Non-controlling interests		159	33	382
		20,525	(28,961)	n.m
Total comprehensive (loss)/income attributable to:				
- Owners of the Company		(23,638)	(50,930)	(54)
- Non-controlling interests		(24)	33	n.m
		(23,662)	(50,897)	(54)
Earnings/(Loss) per share				
	6	Cents	Cents	
- Basic		0.373	(0.531)	
- Diluted		0.356	(0.531)	

"n.m" denotes not meaningful

FINANCIAL STATEMENTS

(b) Condensed interim consolidated statement of financial position

	Note	The Group		The Company	
		30 June	31 December	30 June	31 December
		2025	2024	2025	2024
		\$'000	\$'000	\$'000	\$'000
Assets					
Non-Current					
Intangible assets	9	2,848	2,973	22	6
Property, plant and equipment	10	151,544	150,472	71	90
Right-of-use assets		3,816	5,023	289	413
Investment properties	11	133,138	136,291	-	-
Subsidiaries	12	-	-	1,131,692	1,131,692
Associates	13	328,106	371,464	397,974	397,974
Deferred tax assets		1,028	1,084	-	-
Trade and other receivables	14	17	68	37	147
Other non-current assets	15	1,373	11,508	424	416
		621,870	678,883	1,530,509	1,530,738
Current					
Land inventories		605,234	604,371	-	-
Other inventories		5,866	5,990	-	-
Trade and other receivables	14	491,869	59,919	53,878	65,313
Cash and cash equivalents	16	181,506	117,832	1,193	6,746
		1,284,475	788,112	55,071	72,059
Total assets		1,906,345	1,466,995	1,585,580	1,602,797
Equity and Liabilities					
Equity					
Share capital	17	1,963,457	1,963,457	1,963,457	1,963,457
Treasury shares	18	(50)	(50)	(50)	(50)
Accumulated losses		(1,317,663)	(1,338,029)	(1,400,935)	(1,413,071)
Reserves		8,580	52,573	80,000	80,000
Equity attributable to owners of the Company		654,324	677,951	642,472	630,336
Non-controlling interests		9,012	9,273	-	-
Total equity		663,336	687,224	642,472	630,336
Liabilities					
Non-Current					
Deferred tax liabilities		1,722	1,872	-	-
Borrowings	19	419,346	461,217	232,305	256,017
Employee benefits liabilities		10,169	11,093	-	-
Other non-current liabilities		38,194	38,768	54	54
Lease liabilities		2,490	1,821	97	389
Contract liabilities		71,693	63,780	-	-
		543,614	578,551	232,456	256,460
Current					
Borrowings	19	73,817	47,069	515,912	509,778
Lease liabilities		1,941	4,564	559	535
Trade and other payables	20	602,531	129,406	194,056	204,567
Contract liabilities		12,955	15,819	-	-
Current tax payable		8,151	4,362	125	1,121
		699,395	201,220	710,652	716,001
Total liabilities		1,243,009	779,771	943,108	972,461
Total equity and liabilities		1,906,345	1,466,995	1,585,580	1,602,797

FINANCIAL STATEMENTS

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

	Attributable to owners of the Company								Non-controlling Interests \$'000	Total Equity \$'000
	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	
Balance as at 1 January 2025	1,963,457	(50)	80,000	(80,474)	6,029	48,536	(1,518)	(1,338,029)	677,951	687,224
Profit for the period	-	-	-	-	-	-	-	20,366	20,366	20,525
Other comprehensive loss	-	-	-	(124)	-	-	-	-	(124)	(307)
Share of other comprehensive (loss)/ income of associates	-	-	-	(42,322)	(1,722)	-	164	-	(43,880)	(43,880)
Total comprehensive (loss)/income for the period	-	-	-	(42,446)	(1,722)	-	164	20,366	(23,638)	(23,662)
Dividend paid	-	-	-	-	-	-	-	-	(237)	(237)
Share of reserves of associates	-	-	-	-	-	-	11	-	11	11
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	11	-	11	(226)
Balance as at 30 June 2025	1,963,457	(50)	80,000	(122,920)	4,307	48,536	(1,343)	(1,317,663)	654,324	663,336
Balance as at 1 January 2024	1,963,457	(50)	80,000	(69,303)	7,728	48,354	1,923	(1,291,339)	740,770	747,734
Loss for the period	-	-	-	-	-	-	-	(28,994)	(28,994)	(28,961)
Other comprehensive loss	-	-	-	(133)	-	-	-	-	(133)	(133)
Share of other comprehensive (loss)/ income of associates	-	-	-	(20,051)	(1,877)	-	125	-	(21,803)	(21,803)
Total comprehensive (loss)/income for the period	-	-	-	(20,184)	(1,877)	-	125	(28,994)	(50,930)	(50,897)
Changes in interest in a subsidiary without a change of control	-	-	-	-	-	-	(1,176)	-	(1,176)	996
Share of reserves of associates	-	-	-	-	-	-	619	-	619	619
Transactions with owners, recognised directly in equity	-	-	-	-	-	-	(557)	-	(557)	1,615
Balance as at 30 June 2024	1,963,457	(50)	80,000	(89,487)	5,851	48,354	1,491	(1,320,333)	689,283	698,452

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
Balance as at 1 January 2025	1,963,457	(50)	80,000	(1,413,071)	630,336
Total comprehensive income for the period	-	-	-	12,136	12,136
Balance as at 30 June 2025	1,963,457	(50)	80,000	(1,400,935)	642,472
 Balance as at 1 January 2024	 1,963,457	 (50)	 80,000	 (1,347,790)	 695,617
Total comprehensive loss for the period	-	-	-	(25,064)	(25,064)
Balance as at 30 June 2024	1,963,457	(50)	80,000	(1,372,854)	670,553

FINANCIAL STATEMENTS

(d) Condensed interim consolidated statement of cash flows

	Note	The Group	
		6 months ended 30 June 2025 \$'000	6 months ended 30 June 2024 \$'000
Cash Flows from Operating Activities			
Profit/(Loss) before taxation		30,812	(21,428)
Adjustments for:			
Amortisation of intangible assets	9	51	25
Depreciation of property, plant and equipment, investment properties and right-of-use assets		15,836	15,675
Gain on disposal of property, plant and equipment		-	(237)
Net allowance for expected credit losses of trade and other receivables		44	19
Provision for employees' benefits		503	424
Interest expense		21,269	19,146
Interest income		(3,142)	(1,200)
Share of associate companies' results		(511)	(123)
Operating profit before working capital changes		64,862	12,301
Increase in land inventories		(863)	(852)
Decrease in other inventories		105	484
Increase in operating receivables		(463,401)	(16,413)
Increase in operating payables and contract liabilities		498,061	10,750
Cash generated from operating activities		98,764	6,270
Income tax paid		(7,230)	(10,616)
Interest paid		(20,049)	(19,096)
Interest received		2,202	1,169
Employee benefit paid		(141)	(516)
Net cash generated from/(used) in operating activities		73,546	(22,789)
Cash Flows from Investing Activities			
Acquisition of intangible assets	9	(23)	(1,508)
Acquisition of property, plant and equipment	10	(11,341)	(31,886)
Acquisition of investment properties	11	(315)	(62)
Addition in investment in associate company		-	(16,000)
Proceeds from disposal of property, plant and equipment		-	292
Net cash used in investing activities		(11,679)	(49,164)
Cash Flows from Financing Activities			
Payment of the principal portion of lease liabilities		(3,107)	(2,999)
Proceeds from borrowings		29,600	67,401
Repayment of borrowings		(24,307)	(19,122)
Dividend paid to non-controlling interests		(237)	-
Changes in non-controlling interests in a subsidiary		-	996
Decrease in restricted bank balances		766	16,976
Net cash generated from financing activities		2,715	63,252
Increase/(decrease) in cash and cash equivalents		64,582	(8,701)
Cash and cash equivalents at the beginning of the period		97,702	90,594
Effect of currency translation on cash and cash equivalents		(142)	(61)
Cash and cash equivalents at the end of the period (Note 16)		162,142	81,832

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 principal place of business at 3 HarbourFront Place #16-01 HarbourFront Tower Two, Singapore 099254. It 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 ending 30 June 2025, 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) utility 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 2025 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes explain events and transactions that are significant to understanding the Group's financial position and performance changes since the last annual financial statements for the year ended 31 December 2024.

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 Dollars, the Company's functional currency. Unless otherwise stated, all financial information presented in Singapore Dollars is rounded to the nearest thousand (\$000).

2(b) New and amended standards adopted by the Group

Several amendments to the Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments due to 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.

Management's significant judgements 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 2024.

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 (Cont'd)

(i) Judgement used in applying accounting policies

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:

(a) Going concern

As of 30 June 2025, the Company's current liabilities exceeded its current assets by S\$655,581,000 (31 December 2024 - S\$643,942,000). The Company's net current liability position is mainly due to the Company's loan from subsidiaries of S\$459,028,000 (31 December 2024 - S\$476,833,000) and the amount owing to its subsidiaries of S\$118,022,000 (31 December 2024 - S\$124,201,000). Excluding the loans and amount owing to its subsidiaries, the Company's net current liabilities were S\$78,531,000 as of 30 June 2025 (31 December 2024 - S\$42,908,000).

The financial statements have been prepared on a going-concern basis as the Company is able to meet its current liabilities obligations for the next twelve months from the dividend through its subsidiaries, financing through the capital market, and the subsidiaries are not to recall the loan under the Company's instruction.

As of 30 June 2025, in the statement of financial position, the Group has cash and cash equivalents of S\$181,506,000 (31 December 2024 - S\$117,832,000) and net current assets of S\$585,080,000 (31 December 2024 - S\$586,892,000), which are able to support its working capital requirements. The Group has outstanding borrowings of S\$73,817,000 as of 30 June 2025 (31 December 2024 - S\$47,069,000), due within 12 months after the end of the reporting period.

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

- The group is able to continue to raise funds through bank borrowings and the capital market;
- The group has unutilised credit facilities amounting to approximately S\$30.0 million (31 December 2024 - S\$52.0 million); and
- The group is able to collect its total trade receivables as they fall due to settle its current liabilities.

(b) Classification of properties as investment properties (Note 11)

The Group classifies certain buildings and improvements as investment properties leased out to earn rental income. The Group has assessed and determined that an insignificant portion of investment properties is held for its own use in supplying building management services and/or for administration purposes.

(c) Investment in associates (Note 13)

Judgement is required when the Group assesses whether it has significant influence over associate companies when the Group has the power to participate in their financial and operating policy decisions.

(ii) Estimates and assumptions used in applying accounting policies

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:

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

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

(ii) Estimates and assumptions used in applying accounting policies (Cont'd)

(a) Impairment assessment of goodwill (Note 9)

Goodwill is tested for impairment annually and whenever there are indications that goodwill may be impaired. The assessment of impairment of goodwill is determined 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.

(b) 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 judgment 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.

(c) 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 fair value and the lower disposal and value-in-use costs. 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, minus the cost 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 is no indication of impairment in value of property, plant and equipment as of 30 June 2025.

The carrying amount of the Group's property, plant and equipment as of 30 June 2025 is S\$151,544,000 (31 December 2024 - S\$150,472,000).

(d) 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 fair value minus the 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, minus the 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 no impairment loss is required.

The carrying amounts of the Company's investment in subsidiaries and investment in associates as of 30 June 2025 are S\$1,131,692,000 (31 December 2024 - S\$1,131,692,000) and S\$397,974,000 (31 December 2024 - S\$397,974,000), respectively.

3 Seasonal fluctuations

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

The industrial parks segment is engaged in the development, construction, operation, and maintenance of industrial properties in Batam Island and Bintan Island, together with supporting infrastructure activities.

(ii) Utilities segment

The utilities segment provides electricity and water supply, telecommunication services, waste management, and sewage treatment services to the industrial parks in Batam and Bintan Islands and resorts in Bintan Island.

(iii) Resort operations segment

The resort operations segment is engaged in providing tourism and travel-related services and supporting services in Bintan Resort, including ferry services and ferry terminal operations, worker accommodation, security, fire-fighting services, and facilities required by resort operators.

(iv) Property development segment

The property development segment develops industrial and resort properties on the Batam and Bintan Islands.

These operating segments are reported in a manner consistent with internal reporting provided to the management who are responsible for allocating resources and assessing the 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
6 months ended 30 June 2025							
Operating revenue							
External sales	29,064	58,104	13,338	5	-	-	100,511
Inter segment sales	-	-	-	57	-	(57)	-
Total revenue	<u>29,064</u>	<u>58,104</u>	<u>13,338</u>	<u>62</u>	<u>-</u>	<u>(57)</u>	<u>100,511</u>
Segment results							
Profit/(loss) from operations	<u>20,229</u>	<u>31,954</u>	<u>(290)</u>	<u>(10,060)</u>	<u>9,737</u>	<u>-</u>	<u>51,570</u>
Share of associates' results							511
Finance costs							(21,269)
Profit before taxation							<u>30,812</u>
Taxation							(10,287)
Profit after taxation							<u>20,525</u>
30 June 2025							
Assets and liabilities							
Segment assets	<u>280,739</u>	<u>420,140</u>	<u>21,950</u>	<u>664,382</u>	<u>8,494</u>	<u>-</u>	<u>1,395,705</u>
Associates							328,106
Unallocated corporate assets							<u>182,534</u>
Total assets							<u>1,906,345</u>
Segment liabilities	<u>201,018</u>	<u>437,618</u>	<u>12,562</u>	<u>13,388</u>	<u>83,539</u>	<u>-</u>	<u>748,125</u>
Unallocated corporate liabilities							<u>494,884</u>
Total liabilities							<u>1,243,009</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
6 months ended 30 June 2024							
Operating revenue							
External sales	24,408	54,922	12,223	1,722	-	-	93,275
Inter segment sales	-	-	-	59	-	(59)	-
Total revenue	24,408	54,922	12,223	1,781	-	(59)	93,275
Segment results							
Profit/(loss) from operations	8,772	15,262	(1,996)	(7,869)	(16,574)	-	(2,405)
Share of associates' results							123
Finance costs							(19,146)
Loss before taxation							(21,428)
Taxation							(7,533)
Loss after taxation							(28,961)
30 June 2024							
Assets and liabilities							
Segment assets	110,226	142,922	24,007	664,569	5,842	-	947,566
Associates							363,900
Unallocated corporate assets							84,598
Total assets							1,396,064
Segment liabilities	55,647	111,127	10,946	10,915	85,839	-	274,474
Unallocated corporate liabilities							423,138
Total liabilities							697,612

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

4 Segment and revenue information (Cont'd)

(d) Disaggregated revenue information

The Group		6 months ended 30 June 2025				
Segments	Industrial park \$'000	Utilities \$'000	Resort operations \$'000	Property development \$'000	Total \$'000	
Type of goods or services						
Rendering of services	3,980	-	655	-	4,635	
Electricity and water supply	-	55,408	-	-	55,408	
Sale of residential units/land	334	-	-	-	334	
Golf revenue	1,616	-	-	-	1,616	
Ferry services	-	-	11,597	-	11,597	
Telecommunication	-	2,696	-	-	2,696	
Others	284	-	623	-	907	
Revenue from contracts with customers						
	6,214	58,104	12,875	-	77,193	
Rental income	22,850	-	463	5	23,318	
Total revenue	29,064	58,104	13,338	5	100,511	
Timing of revenue recognition						
At a point in time	6,214	55,408	12,480	-	74,102	
Over time	-	2,696	395	-	3,091	
Revenue from contracts with customers						
	6,214	58,104	12,875	-	77,193	

The Group		6 months ended 30 June 2024				
Segments	Industrial park \$'000	Utilities \$'000	Resort operations \$'000	Property development \$'000	Total \$'000	
Type of goods or services						
Rendering of services	3,215	-	394	-	3,609	
Electricity and water supply	-	52,196	-	-	52,196	
Sale of residential units/land	484	-	-	1,718	2,202	
Golf revenue	1,525	-	-	-	1,525	
Ferry services	-	-	10,685	-	10,685	
Telecommunication	-	2,726	-	-	2,726	
Others	352	-	711	-	1,063	
Revenue from contracts with customers						
	5,576	54,922	11,790	1,718	74,006	
Rental income	18,832	-	433	4	19,269	
Total revenue	24,408	54,922	12,223	1,722	93,275	
Timing of revenue recognition						
At a point in time	5,576	52,196	11,439	1,718	70,929	
Over time	-	2,726	351	-	3,077	
Revenue from contracts with customers						
	5,576	54,922	11,790	1,718	74,006	

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

5 Profit after taxation

5(a) Significant items

The profit/(loss) after taxation has arrived after charging/(crediting) the following significant items:

	Note	The Group	
		6 months ended 30 June 2025 \$'000	6 months ended 30 June 2024 \$'000
Amortisation of intangible assets	9	51	25
Depreciation of property, plant and equipment, and right-of-use asset		9,819	9,497
Depreciation of investment properties	11	6,017	6,178
Gain on disposal of property, plant and equipment		-	(237)
Net allowance for expected credit losses of trade and other receivables		44	19
Provision for employee benefits		503	424
Exchange (gain)/loss		(34,186)	12,422
Interest income		(3,142)	(1,200)
Interest expense		21,269	19,146

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 30 June 2025 \$'000	6 months ended 30 June 2024 \$'000
Current income tax expense	10,189	7,465
Deferred income tax expense relating to the origination and reversal of temporary differences	98	68
	10,287	7,533

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

6 Earnings/(Loss) per share

- (i) The calculation of basic earnings/(loss) per share is based on:

	The Group	
	6 months ended 30 June 2025	6 months ended 30 June 2024
Profit/(loss) attributable to owners of the Company (\$'000)	20,366	(28,994)
Weighted average number of ordinary shares for basic earnings/(loss) per share ('000)	5,463,155	5,463,155
Basic earnings/(loss) per share (Cents)	0.373	(0.531)

- (ii) The calculation of diluted earnings/(loss) per share is based on:

	The Group	
	6 months ended 30 June 2025	6 months ended 30 June 2024
Profit/(loss) attributable to owners of the Company (\$'000)	20,366	(28,994)
Weighted average number of ordinary shares for basic earnings/(loss) per share ('000)	5,463,155	5,463,155
Adjustments for:		
- Conversion right of the convertible bonds ('000)	250,000	-
Weighted average number of ordinary shares (diluted) used to determine diluted earnings/(loss) per share	5,713,155	5,463,155
Diluted earnings/(loss) per share (Cents)	0.356	(0.531)

As at 30 June 2024, the 250,000,000 shares granted under the conversion right of the convertible bonds were excluded from the calculation of diluted loss per share as their effect would have been anti-dilutive.

7 Net asset value

	The Group		The Company	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Net asset value per ordinary share	11.98 cents	12.41 cents	11.76 cents	11.54 cents

The net asset value per ordinary share is calculated using the Group's net assets value at the end of each period divided by the share capital (excluding treasury shares) of 5,463,155,283 ordinary shares as of 30 June 2025 and 31 December 2024, respectively.

8 Dividends

The Board of Directors ("Board") does not recommend the payment of any dividends for 1H 2025, as the Company is directing its cash resources towards the further development and expansion of its Industrial Parks and Utilities businesses.

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

9 Intangible assets

	The Group			The Company	
	Goodwill \$'000	Computer software \$'000	Total \$'000	Computer software \$'000	Total \$'000
As at 31 December 2024					
Cost	1,814	5,068	6,882	690	690
Accumulated amortisation and impairment	(1,814)	(2,095)	(3,909)	(684)	(684)
Net book value	-	2,973	2,973	6	6
6 months ended 30 June 2025					
Opening net book value	-	2,973	2,973	6	6
Additions	-	23	23	21	21
Amortisation charge	-	(51)	(51)	(5)	(5)
Exchange differences	-	(97)	(97)	-	-
Closing net book value	-	2,848	2,848	22	22

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
At 31 December 2024												
Cost	97,389	9,420	257,866	25,307	297,393	96,406	47,306	11,698	4,961	24,749	6,529	879,024
Accumulated depreciation	(34,353)	(9,334)	(224,435)	(16,829)	(280,653)	(86,077)	(39,374)	(11,698)	(4,817)	(20,982)	-	(728,552)
Net book value	63,036	86	33,431	8,478	16,740	10,329	7,932	-	144	3,767	6,529	150,472
6 months ended 30 June 2025												
Opening net book value	63,036	86	33,431	8,478	16,740	10,329	7,932	-	144	3,767	6,529	150,472
Additions	-	-	1,530	-	302	285	816	-	81	544	7,783	11,341
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	(107)	-	-	(183)	-	-	60	(3)	(51)	(284)
Reclassification/transfers	-	-	866	-	(10)	69	-	-	-	-	(3,474)	(2,549)
Depreciation for the period	(1,039)	(8)	(1,963)	(272)	(1,693)	(953)	(1,005)	-	(63)	(440)	-	(7,436)
Closing net book value	61,997	78	33,757	8,206	15,339	9,547	7,743	-	222	3,868	10,787	151,544
The Company												
At 31 December 2024												
Cost	242	-	-	-	-	399	-	-	-	126	-	767
Accumulated depreciation	(242)	-	-	-	-	(309)	-	-	-	(126)	-	(677)
Net book value	-	-	-	-	-	90	-	-	-	-	-	90
6 months ended 30 June 2025												
Opening net book value	-	-	-	-	-	90	-	-	-	-	-	90
Additions	-	-	-	-	-	4	-	-	-	-	-	4
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation for the period	-	-	-	-	-	(23)	-	-	-	-	-	(23)
Closing net book value	-	-	-	-	-	71	-	-	-	-	-	71

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

11 Investment Properties

The Group's investment properties consist of factories, dormitories, commercial complexes, housing, and villas in Batamindo Industrial Park, Bintan Inti Industrial Estate, Southlinks Country Club, and Bintan Resorts, situated on Batam and Bintan Islands. The group's investment properties are mainly used by tenants under operating leases.

Investment properties are accounted for using the cost model. They 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 is reviewed when events or changes in circumstances indicate the carrying value may not be recoverable.

The Group	\$'000
At 31 December 2024	
Cost	641,092
Accumulated depreciation	(504,801)
Net book value	136,291
6 months ended 30 June 2025	
Opening net book value	136,291
Additions	315
Translation differences	-
Transfer from property, plant and equipment	2,549
Depreciation for the period	(6,017)
Closing net book value	133,138

12 Subsidiaries

	The Company	
	30 June 2025 \$'000	31 December 2024 \$'000
<u>Unquoted equity shares, at cost</u>		
Balance at the beginning of the period/year	1,220,973	1,215,952
Addition ⁽¹⁾	-	6,344
Struck off ⁽²⁾	-	-
Disposal ⁽³⁾	-	(1,323)
Balance at the end of the period/year	1,220,973	1,220,973
Amount due from the subsidiary being a net extension of the investment	14,973	14,973
	1,235,946	1,235,946
<u>Less: Accumulated impairment</u>		
Balance on the beginning of the period/year	104,254	98,221
Impairment loss ⁽⁴⁾	-	6,901
Reversal of impairment loss ⁽⁵⁾	-	(868)
Balance at the end of the period/year	104,254	104,254
Net investment	1,131,692	1,131,692

⁽¹⁾ Addition

31 December 2024

(a) The Company has acquired 50% in Sembawang KMP Corporation Pte Ltd ("SKMP"), now known as Gallant KMP Pte. Ltd. ("GKMP"), for consideration of S\$195,808. Please refer to Note 12(a) for details of the acquisition.

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

12 Subsidiaries (Cont'd)

(1) Addition

31 December 2024

- (b) The Company has acquired 70% of the shares in Bintan Resort Ferries Private Limited ("BRF") from its subsidiary, PT Bintan Resort Cakrawala ("PT BRC") for S\$7,824,880 as part of an internal restructuring. Prior to the acquisition, the Company directly owned 30% of BRF. In connection with this transaction, the Company has revalued its existing 30% interest in BRF from S\$5,200,000 to S\$3,354,000, resulting in a revaluation adjustment of S\$1,846,000. The internal restructuring is to streamline its ownership structure for greater operational and administrative efficiency.
- (c) The Company and its wholly-owned subsidiary, PT Buana Megawisata ("PT BMW"), have increased its investment in PT Gallant Lagoi Datacenter ("PT GLD"), a wholly-owned subsidiary of the Group, by way of a capital injection of IDR1,999,500,000 (approximately S\$169,739) and IDR7,998,000,000 (approximately S\$678,956). With the capital injection, PT GLD has an issued and paid-up capital of IDR13,330,000,000 (approximately S\$1,131,593).

(2) Struck off

31 December 2024

- (a) The Company's direct wholly-owned subsidiary, Win Field Limited ("WFL"), incorporated in the British Virgin Islands, has been struck off from the Register of Companies for an amount of S\$1.36.

(3) Disposal

31 December 2024

- (a) The Company has undertaken an internal restructuring by transferring 9,800 shares, representing 98% of the share capital of PT Batamindo Green Perkasa ("PT BGP") to its subsidiary, PT Batamindo Investment Cakrawala ("PT BIC").

(4) Impairment loss

31 December 2024

- (a) The Company recognised an impairment loss of S\$2,967,000 for its direct shareholding in PT Bintan Resort Cakrawala ("PT BRC") and S\$3,934,000 in Singapore-Bintan Resort Holdings Pte Ltd ("SBRH").

(5) Reversal of impairment loss

31 December 2024

- (a) The Company recognised a reversal of impairment loss of S\$868,000 for its direct shareholding PT Bintan Inti Industrial Estate ("PT BIIE").

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, which ended 30 June 2025, the management assessed that no impairment loss was required as the recoverable amounts of the investment in subsidiaries were higher than the investment cost.

12(a) Acquisition of subsidiary

In 2024, the Company acquired 50% of equity interest in Sembawang KMP Corporation Pte Ltd ("SKMP"), now known as Gallant KMP Pte. Ltd. ("GKMP"), for consideration of S\$195,808. SKMP is a single-asset investment holding company incorporated in Singapore whose only asset is shares representing 5% in PT Batamindo Executive Village ("PT BEV"), a company incorporated in Indonesia. The Group currently holds 77.5% in PT BEV. The acquisition of SKMP allows the Group to gain greater control over PT BEV and recognise a higher share of its earnings, positively impacting the Group's overall performance.

Details of the consideration, assets acquired, liabilities assumed, and purchase bargain arising, and the effects on the cash flows of the Group at the acquisition date were as follows:

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

12 Subsidiaries (Cont'd)

12(a) Acquisition of subsidiary (Cont'd)

	SKMP \$'000
<u>Consideration transferred for the acquisition.</u>	
Cash	196
Consideration transferred	<u>196</u>
<u>Identifiable assets acquired and liabilities assumed at fair value on 30 December 2024</u>	
Cash and cash equivalents	342
Investment in equity	2,616
Trade and other payables	<u>(2,242)</u>
Identifiable net assets acquired	716
Less: Non-controlling interests	<u>358</u>
	<u>358</u>
<u>Bargain purchase arising from the acquisition</u>	
Consideration transferred	196
Less: Fair value of identified net assets acquired, net of non-controlling interests	<u>358</u>
	<u>162</u>
<u>Effects on cash flows of the Group</u>	
Consideration transferred	196
Less: Cash and cash equivalents of the subsidiary acquired	<u>342</u>
Net cash inflow on acquisition	<u>146</u>

The Group has elected to recognise the 50% non-controlling interests in SKMP based on its proportionate share of the recognised amounts of identifiable assets acquired and liabilities assumed of the acquiree.

12(b) Changes of non-controlling interests of a subsidiary

- (i) In 2024, PT Batam Bintan Telekomunikasi ("PT BBT"), an indirect 95% owned subsidiary of the Company, bought back 250,000 of its shares ("Share Buy-Back") from PT Telekomunikasi Indonesia Tbk for cash consideration of IDR5,700,000,000 (approximately S\$486,919). This represented 5% of PT BBT's issued shares.

The carrying amount of PT BBT's net assets on the date of the acquisition was S\$6,481,000. The Group recognised a decrease in other reserves and non-controlling interests of S\$163,000 and S\$324,000, respectively.

The following summarises the effect of changes in the Group's ownership interest in PT BBT:

	\$'000
Carrying amount of non-controlling interest acquired	324
Consideration paid to non-controlling interest	<u>(487)</u>
Decrease in equity attributable to owners of the Company	<u>(163)</u>

- (ii) In 2024, PT BBT issued a total of 2,692,000 new shares for cash consideration of approximately S\$1,482,658 to PT Persada Nusantara Telekomunikasi ("PT PNT") to acquire PT PNT's telecommunication software and systems in Indonesia for expansion of its telecommunication business in Greater Indonesia. The allotment of the new shares to PT PNT represents approximately 36.17% of PT BBT's total number of issued shares, excluding treasury shares.

The carrying amount of PT BBT's net assets before the issuance of new shares was S\$5,417,000. The Group recognised a decrease of S\$1,013,000 in other reserves and an increase in non-controlling interest of S\$2,496,000.

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

12 Subsidiaries (Cont'd)

12(b) Changes of non-controlling interests of a subsidiary (Cont'd)

- (ii) The following summarises the effect of changes in the Group's ownership interest in PT BBT:

	\$'000
The Group's carrying amount in PT BBT after the issuance of new shares	4,404
The Group's carrying amount in PT BBT before the issuance of new shares	(5,417)
Decrease in equity attributable to owners of the Company	<u>(1,013)</u>

- (iii) In 2024, the Company acquired 50% of the shares in Sembawang KMP Corporation Pte Ltd ("SKMP"), now known as Gallant KMP Pte. Ltd. ("GKMP"), for S\$195,808. SKMP holds 5% of PT Batamindo Executive Village ("PT BEV"), and the Group currently holds 77.5% of PT BEV. With this acquisition, SKMP has become a subsidiary of the Group, and the Group's effective interest in PT BEV has increased from 77.5% to 80%.

The carrying amount of PT BEV's net assets on the date of the acquisition was S\$8,466,000. The Group recognised a decrease of S\$2,405,000 in other reserves and S\$211,000 in non-controlling interests.

The following summarises the effect of changes on the Group's ownership interest in PT BEV:

	\$'000
Carrying amount of non-controlling interests acquired	211
Consideration paid to non-controlling interests	-
Reversal of SKMP's investment in PT BEV	2,616
Decrease in equity attributable to owners of the Company	<u>(2,405)</u>

- (iv) In 2024, the Company acquired 70% of the shares in Bintan Resort Ferries Private Limited ("BRF") from its subsidiary, PT Bintan Resort Cakrawala ("PT BRC") for cash consideration of S\$7,824,880 as part of the internal restructuring exercise. Prior to the acquisition, the Company directly owned 30% of BRF, while PT BRC held 70%. After the acquisition, the Group's interest in BRF increased from 96.87% to 100%.

The carrying amount of BRF's net assets on the date of the acquisition was S\$12,865,000. The Group recognised an increase of S\$403,000 in other reserves and a decrease in non-controlling interests of S\$403,000.

The following summarises the effect of changes in the Group's ownership interest in BRF:

	\$'000
Carrying amount of non-controlling interests acquired	403
Consideration paid to non-controlling interests	-
Increase in equity attributable to owners of the Company	<u>403</u>

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

13 Associates

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
<u>Carrying amount</u>				
Beginning of the period/year	371,464	368,961	397,974	381,974
Addition ⁽¹⁾	-	16,000	-	16,000
	371,464	384,961	397,974	397,974
Group's share of:				
- Profit	511	839	-	-
- Other comprehensive loss	(43,880)	(12,786)	-	-
- Total comprehensive loss	(43,369)	(11,947)	-	-
Dividend received during the period/year	-	(1,638)	-	-
Group's share of other reserves	11	88	-	-
End of the period/year	328,106	371,464	397,974	397,974

(1) In 2024, the Company acquired 40% of Regent Group Pte. Ltd. ("Regent") (formerly known as Legend Logistics Group Pte Ltd) for consideration of S\$16,000,000.

14 Trade and other receivables

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Trade receivables	43,769	36,035	-	-
Expected credit losses of trade receivables	(4,048)	(3,916)	-	-
	39,721	32,119	-	-
Other receivables:				
- Refundable deposits	3,813	3,761	3,674	3,694
- Amount owing by subsidiaries	-	-	45,859	49,898
- Amount owing by related parties	3,249	10,615	92	7,692
- Lease receivables (i)	115	163	250	354
- Others (ii)	440,928	9,949	2,815	2,737
	448,105	24,488	52,690	64,375
Expected credit losses of other receivables	-	(1,198)	-	-
	448,105	23,290	52,690	64,375
Prepayments (iii)	4,060	4,578	1,225	1,085
Total	491,886	59,987	53,915	65,460
Non-current (i)	17	68	37	147
Current	491,869	59,919	53,878	65,313
	491,886	59,987	53,915	65,460

(i) Non-current trade and other receivables relate to the non-current portion of the lease receivables on the sublease of the Company's office premises to its subsidiary and third party.

(ii) The amounts primarily comprise contract assets, advance expenses related to the airport project and the development of Bintan Resort and advance payment/deposits made for the Group's investment in new power plants to expand its utilities business.

(iii) The prepayments relate to advance payments, mainly for renewing land rights, capital expenditure, and operating expenses.

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

15 Other non-current assets

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Other receivables	-	4,568	-	-
Prepayment ⁽¹⁾	1,085	6,402	-	-
Deposits	288	538	157	149
Investments ⁽²⁾	-	-	267	267
	1,373	11,508	424	416

(1) The prepayment relates to prepaid corporate tax. The decrease in prepayment in YTD 30 Jun 2025 was mainly due to the recognition of prepaid taxes during the first half of 2025.

(2) The investments related to the Company's 9% shareholding in PT GLA.

16 Cash and cash equivalents

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Cash at banks and on hand	103,203	34,912	1,143	6,696
Time deposits	58,939	62,790	50	50
Cash and cash equivalents in the statement of cash flows	162,142	97,702	1,193	6,746
Restricted bank balances	19,364	20,130	-	-
Cash and cash equivalents in the statement of financial position	181,506	117,832	1,193	6,746

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.

17 Share capital

The Company and The Group	No. of ordinary shares		Amount	
	30 June 2025	31 December 2024	30 June 2025 \$'000	31 December 2024 \$'000
Issued and fully paid:				
Beginning and end of the period/year	5,463,605,283	5,463,605,283	1,963,457	1,963,457

All issued ordinary shares are fully paid and have no par value.

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.

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

18 Treasury shares

The Company and The Group	No. of ordinary shares		Amount	
	30 June 2025	31 December 2024	30 June 2025 \$'000	31 December 2024 \$'000
Beginning and end of the period/year	450,000	450,000	(50)	(50)

19 Borrowings

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
(i) Amount payable in one year or less, or on demand				
- Loans from subsidiaries	-	-	459,028	476,833
- Bank loans	73,817	47,069	56,884	32,945
	73,817	47,069	515,912	509,778
(ii) Amount repayable after one year				
- Bank loans	419,346	461,217	232,305	256,017
Total borrowings	493,163	508,286	748,217	765,795
Represented by:				
- Secured	493,163	508,286	289,189	288,962
- Unsecured	-	-	459,028	476,833
	493,163	508,286	748,217	765,795

Secured borrowings are collateralised by the assets of the Company and its subsidiaries as follows:

- (a) Mortgage on certain land titles and property, plant and equipment held by certain subsidiaries;
- (b) Charge on bank accounts of certain subsidiaries and the Company;
- (c) Fiducia Security over insurance claim proceeds, receivables and movable assets of certain subsidiaries; and
- (d) Pledge of the Company's share in PT Indomobil Sukses Internasional Tbk ("PT IMAS").

20 Trade and other payables

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Trade payables	13,503	10,084	-	-
Other payables:				
- Accruals	23,505	13,685	1,652	1,885
- Other payables ⁽¹⁾	550,160	89,741	69,360	73,214
- Interest payable on the bank loan	8,569	9,006	5,022	5,267
- Amount owing to related parties ⁽²⁾	6,794	6,890	-	-
- Amount owing to subsidiaries	-	-	118,022	124,201
	589,028	119,322	194,056	204,567
Total	602,531	129,406	194,056	204,567

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

20 Trade and other payables (Cont'd)

- (1) Comprising S\$69.2 million for advance payments received from third parties (31 December 2024 - S\$73.1 million), for joint venture development of high-tech greenhouse sustainable farming projects for vegetables and egg laying in Riau Island Indonesia, the changes in the amount owing was due to currency translation, not on actual increase in the underlying amount, S\$21.5 million (31 December 2024 - S\$21.5 million) including retainers, due to construction contractors for the ongoing development of Lagoi Bay in Bintan Resorts and construction of new factories, S\$0.4 million (31 December 2024 - S\$0.4 million) deposits received for the construction of villas and residential units, S\$5.7 million (31 December 2024 - S\$5.7 million) due to other creditors for indirect expenses and S\$474.3 million (31 December 2024 - nil) received from investor intending to participate in the Group's investment in new power plants.

All advances received for the joint venture development will be taken as the investors' equity contribution once the joint ventures have materialised. Advances received for the investment in new power plants will be reclassified to the appropriate accounts upon finalisation of the funding structure. Other payables are unsecured, non-interest-bearing, and repayable on demand.

- (2) Comprising S\$0.1 million (31 December 2024 - S\$0.1 million) owing to associated company, S\$4.9 million (31 December 2024 - S\$4.9 million) owing to Salim Group's related companies which are balances carried forward from the past Group's restructuring and S\$1.8 million (31 December 2024 - S\$1.9 million) owing to Salim Group's related companies for indirect expenses in the ordinary course of business. The changes in the amount owing were due to currency translation, not an actual increase in the underlying amount.

21 Related party transactions

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

22 Financial assets and financial liabilities

The fair values of financial assets are as follows:

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Financial assets at amortised cost				
Trade and other receivables	487,826	55,409	52,690	64,375
Cash and cash equivalents	181,506	117,832	1,193	6,746
Other non-current assets	288	5,106	424	416
	669,620	178,347	54,307	71,537

The fair values of financial liabilities are as follows:

	The Group		The Company	
	30 June 2025 \$'000	31 December 2024 \$'000	30 June 2025 \$'000	31 December 2024 \$'000
Financial liabilities at amortised cost				
Trade and other payables	602,531	129,406	194,056	204,567
Borrowings	493,163	508,286	748,217	765,795
Other non-current liabilities	38,194	38,768	54	54
Lease liabilities	4,431	6,385	656	924
	1,138,319	682,845	942,983	971,340

FINANCIAL STATEMENTS

(e) Notes to the condensed interim consolidated financial statements

23 Fair value measurement

Financial assets and financial liabilities measured at fair value in the statements of financial position are grouped into three levels of the 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 liabilities measured at fair value in the statements of financial position, which were grouped into three levels of a fair value hierarchy as of 30 June 2025 and 31 December 2024.

24 Subsequent events

No known subsequent events 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 of 30 June 2025, the related condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity, and the condensed consolidated statement of cash flows for the six months ended, and certain explanatory notes have not been audited or reviewed.

The Group's latest financial statements for the financial year ended 31 December 2024 are not subject to an adverse opinion, qualified opinion, or disclaimer of opinion.

(g) A review of the group's performance 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 2025 (1H 2025) vs. Half Year 2024 (1H 2024)

Profit or Loss

The Group reported revenue of S\$100.5 million for 1H 2025, representing an increase of 7.7% compared to S\$93.3 million in the corresponding period. The increase was mainly attributable to higher contributions from the industrial parks segment, driven by increased occupancy, improved rental yields, and the completion of new factory units. These led to stronger revenue from industrial leases, related income, and utilities. In addition, revenue from ferry services and tourism-related activities improved in line with the higher number of tourist arrivals during the period.

In tandem with the increased revenue and improved margins, the Group's cost of sales amounted to S\$59.2 million in both 1H 2024 and 1H 2025. The Group's cost of sales to revenue ratio was 0.59 in 1H 2025, comparable to 0.63 in the corresponding period. As a result, the Group's gross profit improved from S\$34.1 million in 1H 2024 to S\$41.3 million in 1H 2025.

The Group's "other income/(expenses)" was S\$38.5 million income compared to S\$10.5 million expenses in 1H 2024. This was mainly due to the foreign exchange gain of S\$34.2 million in 1H 2025 compared to the foreign exchange loss of S\$12.4 million in 1H 2024. The foreign exchange gain was mainly from translating the Group's USD-denominated borrowings as the US dollar depreciated sharply against the Singapore dollar in 1H 2025.

The Group's "general and administrative expenses" were S\$12.3 million, compared to S\$11.4 million in 1H 2024. The increase was mainly due to higher manpower-related expenses and business development expenses.

The Group's "other operating expenses" were S\$16.0 million, compared to S\$14.6 million in 1H 2025. The increase was mainly due to higher manpower and repair and maintenance expenses.

The Group's share of profit from associate companies increased from S\$0.1 million in 1H 2024 to S\$0.5 million in 1H 2025, mainly due to the absence of prior-period adjustments for unrealised intragroup profits.

The Group's "finance costs" increased to S\$21.3 million in 1H 2025, compared to S\$19.1 million in 1H 2024. This was mainly due to the higher bank borrowings.

The Group reported a net profit attributable to owners of the Company of S\$20.4 million in 1H 2025, a reversal from the net loss of S\$29.0 million recorded in 1H 2024.

Financial position

As of 30 June 2025, the Group's total assets were S\$1,906.3 million, compared to S\$1,467.0 million at the end of the previous year.

Property, plant, and equipment increased by S\$1.0 million due to capital expenditures on building, infrastructure, and construction related to new factories, partially offset by depreciation. The Group's right-of-

use assets and investment properties decreased by S\$4.4 million due to depreciation.

The Group's associates decreased by S\$43.4 million due to the translation loss of S\$41.3 million on the translation of PT IMAS's results and net assets from the Indonesian Rupiah to the Singapore dollar, where the Indonesian Rupiah weakened as of 30 June 2025.

The Group's other non-current assets decreased by S\$10.1 million, mainly due to the recognition of prepaid taxes as expenses during the period and the reclassification of the other receivables, which were advance payments for the project development, to the appropriate asset categories.

The Group's trade receivables increased by S\$7.6 million, which is in line with higher revenue. Other receivables increased by S\$424.8 million, of which S\$429.4 million increase was due to advance payments and deposits for the Group's investments in new power plants and S\$2.8 million increase was due to advances paid to contractors for the construction of new industrial factories, the development of the airport project, the construction of resort-related facilities and the Solar PV project. These increases were partially offset by a decrease of S\$7.4 million in amounts owing from related parties.

As of 30 June 2025, the Group's total liabilities were S\$1,243.0 million, compared to S\$779.8 million at the previous year's end. The Group's borrowings decreased by S\$15.1 million due to loan repayments and the impact of foreign exchange translation on the US outstanding amounts, where the USD has depreciated against the Singapore dollar.

The Group's trade and other payables increased by S\$473.1 million, mainly due to (i) to contractors and suppliers working on constructing new factories in the Group's industrial parks and the ongoing development in Bintan Resort (ii) advances received from the investor intending to participate in the Group's investment in new power plants which will be subsequently reclassified when the appropriate funding structure is finalised and (iii) increased rental and electricity deposits received from the new industrial park tenants.

The Group's lease liabilities decreased by S\$2.0 million, mainly due to the payment of the principal portion of the lease liabilities. The Group's contract liabilities increased by S\$5.0 million, mainly due to higher rental payments received in advance from the industrial park tenants and receipt of advances from travel agents for ferry services and tour packages to Bintan Resorts.

Cash Flow

For the period under review, the net cash inflow generated from operating activities was S\$73.5 million, compared to the net cash outflow of S\$22.8 million used in the previous period. The net cash inflow from operating activities was primarily driven by higher advances from the investor intending to participate in the Group's investment in new power plants and lower income tax payments during the current period.

The Group recorded a net cash outflow of S\$11.7 million from investing activities, compared to S\$49.2 million in the prior period. The decrease was primarily attributable to lower capital expenditure for the construction of new factories in the industrial parks and the absence of new investments in the current period.

The Group recorded a net cash inflow of S\$2.7 million from financing activities, compared to S\$63.3 million in the prior period. The lower net cash inflow in the current period was mainly attributable to reduced net borrowings, lower drawdowns from the facilities and the repayment of the principal portion of lease liabilities.

The Group's cash and cash equivalents in the statement of cash flow were S\$162.1 million as of 30 June 2025, compared with S\$97.7 million as of 31 December 2024.

Liquidity and financial resources

For the financial period ended 30 June 2025, the Group's working capital was mainly financed by internal resources generated from the operation, whilst the Group's capital expenditure in relation to the construction of new factories, expansion of the industrial parks and new investment/development was financed by advance lease payments from the tenants and bank borrowings. As of 30 June 2025, the cash and cash equivalents in the statement of financial position were S\$181.5 million, which increased by 54% compared to S\$117.8 million as of 31 December 2024. The Group's current ratio was approximately 1.8 times (31 December 2024 - 3.9 times).

As of 30 June 2025, the Group's borrowings were S\$493.2 million. Borrowings due within one year were S\$73.8 million (31 December 2024 - S\$47.1 million), and borrowings due after one year were S\$419.4 million (31 December 2024 - S\$461.2 million). Out of S\$73.8 million in borrowings due within one year, S\$35 million

comprises the banks' Revolving Credit Facilities (RCF). These facilities allow the Group to renew or extend, effectively deferring the need for immediate repayment within the next 12 months.

The Group's borrowings were denominated in Singapore and United States dollars, with interest rates ranging from 6.06% to 8.10%. The Group's total debts, including lease liabilities, were S\$497.6 million (31 December 2024 - S\$514.7 million). As of 30 June 2025, the Group's gearing ratio was 0.8 times (31 December 2024 - 0.7 times, which was calculated on the Group's total debts to total shareholders' equity (including non-controlling interests). The increase was primarily due to lower total shareholders' equity.

- (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.**

The Group continues to attract new tenants from the regions to its industrial parks, as companies pursue diversification strategies and seek alternative manufacturing locations. With the contributions from newly completed factory units, the Group is confident that revenue from the industrial parks and utilities segments will surpass previous years' levels. Encouraged by the sustained demand, the Group remains optimistic that this positive trend in industrial space take-up will continue. In line with this outlook, the Group has commenced new phases of expansion to support future growth. As part of this expansion plan, the Company has announced its intention to invest in new power plants to meet growing energy demand and further diversify its power generation portfolio.

Tourist arrivals for the first half of 2025 showed a promising recovery, registering a 23% increase compared to the same period in 2024. The Group anticipates an even stronger performance in the second half of the year, supported by a robust line-up of sporting and large-scale events scheduled to take place at Bintan Resorts. The Group expects tourist arrivals to reach pre-pandemic levels by the end of 2026. The Group will continue pursuing new developments and enhancing its product offerings to accelerate recovery.

- (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 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)	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)
		S\$'000	S\$'000
Sales of Goods and Services			
Salim Group	See Note (1)	N.A	4,903
IMAS Group	See Note (2)	N.A	-
Purchase of Goods and Services			
Salim Group	See Note (1)	N.A	32,817
IMAS Group	See Note (2)	N.A	2,682
Interest Income			
Salim Group	See Note (1)	N.A	646
Dividend Income			
IMAS Group	See Note (2)	N.A	11,966

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 2025, 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 of any shares, resulting in the 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 2025 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
08 AUGUST 2025