

PT LAMINDO INTER MULTIKON

Financial Statements

For the year ended

March 31, 2020



PT. LAMINDO INTER MULTIKON

**DIRECTORS' STATEMENT
REGARDING THE RESPONSIBILITY ON
THE FINANCIAL STATEMENTS
PT LAMINDO INTER MULTIKON
FOR THE YEAR ENDED
March 31, 2020**

We, the undersigned :

Name : Mr. Abdi Khalik Ginting
Office address : Graha Mustika Ratu, Lantai 3, Jl. Jend.Gatot Subroto Kav. 74-75 Jakarta Selatan
Domicile address :
based on ID Card
Phone number : 021 - 8307406 / Fax 83007407 Post Code: 12870
Function : Director

Declare that :

1. We are responsible for the preparation and presentation of the company's financial statement;
2. The company's financial statements have been prepared and presented in conformity with Indonesian Finance Accounting Standard;
3. a. All information in the company's financial statements have been disclosed in a complete and truthful manner;
b. The company's financial statements do not contain any incorrect information or material facts, nor do they omit information or material facts; and
4. We are responsible for the company's internal control system.

This statements is made truthfully.

Jakarta, April 17th, 2020



Mr. Abdi Khalik Ginting
Director

Graha Mustika Ratu Lantai 3, Jl. Gatot Subroto Kav 74-75 Jakarta Selatan 12870
Telp: (62-21) 8307406, 8307420 Fax: (62-21) 8307407

INDEPENDENT AUDITOR'S REPORT

Ref.: R-153/2.0752/AU.1/02/0209-8/1/IV/2020

The Shareholders, Boards of Commissioners and Directors
PT LAMINDO INTER MULTIKON

We have audited the accompanying financial statements of **PT Lamindo Inter Multikon** ("the Company") which comprise of statement of financial position as of March 31, 2020 and the statements of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year ended March 31, 2020, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements.

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Accounting Standards in Indonesia and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesia Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects the financial position of **PT Lamindo Inter Multikon** as at March 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with the Financial Accounting Standards in Indonesia.



Syamsudin
NRAP: 0209

R-153/2.0752/AU.1/02/0209-8/1/IV/2020

April 17, 2020



CONTENT

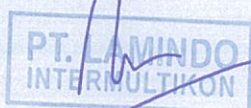
	<u>Pages</u>
Independent Auditors' Report	
Director's Statement	
Statements of Financial Position	1
Statements of Profit or Loss and Other Comprehensive Income	2
Statements of Changes in Equity	3
Statements of Cash Flow	4
Notes to the Financial Statements	5-23

PT LAMINDO INTER MULTIKON
STATEMENTS OF FINANCIAL POSITION
As of March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

	Notes	March 31, 2020	March 31, 2019
ASSETS			
Current Assets			
Cash and cash equivalents	5	37.877.909.209	10.890.812.515
Inventories	4d, 6	28.501.903.833	62.524.889.770
Loans and advances	7	158.537.863.533	12.492.121.831
Total Current Assets		224.917.676.575	85.907.824.116
Non Current Assets			
Deposits	10	30.843.153.673	29.546.093.365
Exploration and evaluation assets	4e, 9	58.955.525.789	71.799.632.979
Investment	4i, 11	200.000.000	200.000.000
Deferred tax assets	4k, 15d	35.304.688.611	23.241.568.410
Fixed assets - net	4f, 8	76.995.324.294	108.478.754.463
Other asset	12	25.029.820.469	51.383.897.620
Total Non Current Assets		227.328.512.836	284.649.946.837
TOTAL ASSETS		452.246.189.411	370.557.770.953
LIABILITIES AND EQUITY			
LIABILITIES			
SHORT TERM LIABILITIES			
Sundry creditors	4h, 13	62.828.261.519	224.512.349.412
Taxes payables	4k, 15a	1.408.847.316	10.842.600.843
Other payables	14	495.020.973.830	196.825.024.108
Total short term liabilities		559.258.082.665	432.179.974.363
LONG TERM LIABILITIES			
Provision for retirement benefits	16	27.898.457.736	30.522.483.294
Total long term liabilities		27.898.457.736	30.522.483.294
TOTAL LIABILITIES		587.156.540.401	462.702.457.657
EQUITY			
Authorized capital - 10.500 shares			
Rp 1,000,000 par value per share			
subscribed and fully paid up	17	10.500.000.000	10.500.000.000
Additional paid in capital	18	(15.808.685.252)	(15.808.685.252)
Retained earning profit (loss)		(106.618.368.515)	(63.730.689.361)
Other comprehensive income		(22.983.297.223)	(23.105.312.091)
TOTAL EQUITY		(134.910.350.990)	(92.144.686.704)
TOTAL LIABILITIES AND EQUITY		452.246.189.411	370.557.770.953

Mr. Abdi Khalik Ginting



(Director)

PT LAMINDO INTER MULTIKON
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

	Notes	March 31, 2020	March 31, 2019
SALES	3l, 19	376.490.818.268	1.405.163.938.353
COST OF SALES	3l, 20	<u>(321.184.330.525)</u>	<u>(1.136.661.892.632)</u>
GROSS PROFIT		55.306.487.743	268.502.045.721
INDIRECT EXPENSES	3l, 21	<u>(73.250.463.361)</u>	<u>(241.582.728.395)</u>
OPERATING PROFIT (LOSS)		(17.943.975.618)	26.919.317.326
OTHER INCOME (EXPENSES)			
OTHERS INCOME	3l, 22	1.808.909.797	1.702.537.997
OTHERS EXPENSES	3l, 22	<u>(38.815.733.535)</u>	<u>(12.942.097.387)</u>
		<u>(37.006.823.738)</u>	<u>(11.239.559.390)</u>
PROFIT (LOSS) BEFORE INCOME TAX		<u>(54.950.799.356)</u>	<u>15.679.757.936</u>
TAX INCOME/(EXPENSES)			
Current tax	4k, 15c	-	(8.476.649.939)
Deferred tax	4k, 15d	<u>12.063.120.201</u>	<u>(7.498.583.788)</u>
		<u>12.063.120.201</u>	<u>(15.975.233.727)</u>
PROFIT (LOSS) FOR THE YEAR		<u>(42.887.679.155)</u>	<u>(295.475.791)</u>
OTHER COMPREHENSIVE INCOME (EXPENSE)			
Actuarial Gain(Losses)		162.686.491	(256.472.439)
Related Income(Exoenses) tax		<u>(40.671.623)</u>	<u>64.118.110</u>
		<u>122.014.868</u>	<u>(192.354.329)</u>
TOTAL COMPREHENSIVE EXPENSE		<u>(42.765.664.287)</u>	<u>(487.830.120)</u>

Mr. Abdi Khalik Ginting



(Director)

PT LAMINDO INTER MULTIKON
STATEMENTS OF CHANGES IN EQUITY
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

	<u>Share capital</u>	<u>Capital reserves</u>	<u>Other Comprehensive Income</u>	<u>Retained Earning</u>	<u>Total</u>
Balance as of March 31, 2018	10.500.000.000	-	(22.912.957.762)	(79.024.898.823)	(91.437.856.584)
Profit (loss) for the year	-	-	-	(295.475.791)	(295.475.791)
Comprehensive income (loss) for the year	-	-	(192.354.329)	-	(192.354.329)
Additional from merging entities	-	(15.808.685.252)	-	15.589.685.252	(219.000.000)
Balance as of March 31, 2019	10.500.000.000	(15.808.685.252)	(23.105.312.091)	(63.730.689.361)	(92.144.686.704)
Profit (loss) for the year				(42.887.679.155)	(42.887.679.155)
Comprehensive income (loss) for the year			122.014.868		122.014.868
Balance as of March 31, 2020	10.500.000.000	(15.808.685.252)	(22.983.297.223)	(106.618.368.515)	(134.910.350.990)

PT LAMINDO INTER MULTIKON
STATEMENTS OF CASH FLOW
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

	2020	2019
Cash flows from operating activities		
Profit/(loss) before income tax	(54.950.799.356)	15.679.757.936
<i>Add items not affecting operating cash flows</i>		
Depreciation	31.581.070.400	33.945.923.225
Amortization of exploration and evaluation assets	12.844.107.190	42.489.017.708
Loss from investments	-	(219.000.000)
Provision for retirement benefits	(2.624.025.558)	3.517.007.566
Operating cash flows before changes in working capital	(13.149.647.324)	95.412.706.435
<i>Changes in working capital</i>		
Sundry debtors	-	18.575.139.480
Inventories	34.022.985.937	42.560.221.518
Deposits	(1.297.060.308)	-
Loans and advances	(146.045.741.702)	23.957.944.085
Other assets	122.014.868	(81.850.928)
Sundry creditors	(161.684.087.893)	76.333.152.074
Taxes paid	16.920.323.624	(23.980.798.389)
Other payables	298.195.949.722	(245.316.884.148)
Net changes in working capital	40.234.384.248	(107.953.076.308)
Net cash flows (used in) provided from operating activities	27.084.736.924	(12.540.369.873)
Cash flows from investing activities		
Acquisition of fixed assets	(97.640.230)	(642.802.203)
Acquisition of exploration and evaluation assets	-	(715.000.000)
Net cash flows provided from (used in) investing activities	(97.640.230)	(1.357.802.203)
Cash flows from financing activities		
Net cash flows (used in) financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	26.987.096.694	(13.898.172.076)
Cash and cash equivalents at the beginning of the year	10.890.812.515	24.788.984.591
Cash and cash equivalents at the end of the year	37.877.909.209	10.890.812.515

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

1. GENERAL

Establishment and General Information

PT LAMINDO INTER MULTIKON (the "Company") was established on July 25, 2002 based on notarial deed No.228 of Kartono, SH. The deed of establishment was approved by the Ministry of Justice in its decision letter No. C19538 HT.01.01 TH.2002 dated October 10, 2002. The Articles of Association has been amended several times, most recently by the notarial deed no. 11 of Rohana Frieta S.H., public Notary in Jakarta, dated May 8, 2013, regarding the change of the composition of Board of Commissioner and Directors. The changed has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia under the letter No. AHU-AH.01.10-20565, dated May 28, 2013.

According to Article 3 of its Articles of Association, the Company's scope of activities comprises services, trading and mining. The Company obtained its license for the exploitation of coal mining (IUP) in Bunyu Island, East Kalimantan, by Bupati Bulungan No. 56/K-II/540/2010 dated February 9, 2010 valid till August 7, 2036. Pursuant to the requirement of Article no 14, Law no 23 dated September 2014 that requires the ermission issued by Bupati has to be regularised by Governor Provice/Central Government. The Company has further obtained license for the exploitation of coal mining (IUP) in Bunyu Island, North Kalimantan, by Governer Bulungan No. 757/066/IUP-OP-LIM/DPMPSTSP/XII/2017 dated December 27, 2017 valid till August 7, 2029. This Supersedes the previous licence issued by Bupati Bulungan No. 56/K-II/540/2010 dated February 9, 2010

The Company domiciled in Jakarta. The company started its commercial operation in 2008.

Board of Commissioners and Directors, and Employees

The composition of the Company's Boards of Commissioner and Director is as follows:

	<u>March 31, 2020</u>	<u>March 31, 2019</u>
Commissioner	: Ms. Prosidawaty Malemta	Ms. Prosidawaty Malemta
Director		
President Director	: Mr. Abdi Khalik Ginting	Mr. Abdi Khalik Ginting
Director	: -	Mr. Dani Daksinaputra

As of March 31, 2020 and March 31, 2019, the Company has a total of 534 and 492 employees.

Completion of the Company's financial statements

The Company's management has completed and agreed to issue the financial statements for the period ended March 31, 2020 on April 17, 2020.

2. MERGING ENTITIES

Based on the General Meeting of Shareholders that formed basis for notarial deed No. 13 of Fessy Farizqoh Alwi, SH., M.Kn, public Notary Jakarta dated June 5, 2018 , that is, the company merged with PT Mitra Niaga Mulia which is effectively implemented on June 8, 2018 and PT Lamindo Inter Multikon as an entity that continues (surviving company). The deed of notification of merger has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia under the letter No. AHU-AH.01.10-0006437, dated June 8, 2018. The Merger is carried out at book value based on the approval of tax department vide letter no KEP-244/WPJ.19/2018 dated 13th December 2018.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

3. ACCOUNTING STANDARDS APPLIED

These financial statements are prepared in compliance to Indonesian Financial Accounting Standards.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of presentation of financial statements

Presented below are the significant accounting policies, which have been used in the preparation of the financial statements of the Company, these are in conformity with the Statement of Financial Accounting Standards ("SFAS").

The accompanying financial statements have been prepared based on going concern assumption.

The financial statements, presented in rupiah ("IDR"), are prepared on the accrual basis using the historical cost concept.

The statements of cash flows present the Company's receipts and disbursements of cash classified into operating, investing and financing activities using the indirect method.

Comparative of financial statement as of March 31, 2019 derived from financial statement of the Company as consolidated financial statement.

According to the Statement of Financial Accounting Standards ("SFAS") No.1 (Revised 2015) "Presentation of Financial Statement" are applicable for financial statements covering periods beginning on or after January 1, 2011. The Company has adopted Statement of Financial Accounting Standards ("SFAS") No.1 (Revised 2009) and there is no impact on the Company to make restatement or reclassification.

b. Functional currency

The Company maintains its accounting records in Indonesian Rupiah. Transactions denominated in foreign currencies are converted into Rupiah (IDR) at the fiscal exchange rates prevailing on a beginning week. On the balance sheet date, assets and liabilities in foreign currencies are translated into Rupiah at the exchange rate prevailing as on that date.

Exchange gains and losses arising from foreign currency transactions and on the translation of foreign currency monetary assets and liabilities are recognized in the current period's statement income.

On the balance sheets date, monetary assets and liabilities denominated in foreign currency were translated using the following rates:

	<u>March 31, 2020</u>		<u>March 31, 2019</u>	
US Dollar (USD) 1	Rp	16.367	Rp	14.244

c. Sundry debtors

Sundry debtors are presented at net of allowance for doubtful accounts, based on a review of the status of the individual debtors at year-end.

d. Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined on weighted average basis and comprises mining contractor's cost, directly attributable fixed and variable overheads related to mine coal. Net realizable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

e. Exploration and evaluation assets

The Company adopted SFAS No. 64 (Revised 2011) , " Exploration for and Evaluation of Mineral Resources " . SFAS No. 64 (Revised 2011) provides that an entity is required to determine the accounting policies that specify on expenditures are recognized as exploration and evaluation assets and apply the policy consistently .

The Company determined that all costs associated with exploration activities , acquisitions , and asset evaluation coal sources , including overhead costs that are directly related and interest expenses directly related to exploration and evaluation of coal are capitalized as exploration assets and evaluation of intangibles. Exploration and evaluation assets are amortized for 10 years .

Cash flows related to capitalized exploration and evaluation costs are classified as cash flows from investing activities in the statement of cash flows , while the cash flows associated with the exploration and evaluation costs are expensed are classified as cash flows from operating activities.

f. Fixed assets

The cost of an item of fixed assets initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Company has adopted SFAS 16 (Revised 2007) regarding "Fixed Assets" and has chosen to use the cost model for measuring its fixed assets. Under cost model, fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Fixed assets are depreciated using the straight line method over their estimated useful lives, as follows:

	<u>Years</u>
Plant & Machinery	10
Mining Equipment	5
Vehicles	5
Misc. Site Equipment	4
Computer	4

g. Related party transactions

The Company has entered into transactions with certain related parties as defined in Statement of Financial Accounting Standards ("SFAS") No. 7, "Related Party Disclosures". Compensation to the key person during 2020 amounting Rp717.381.295.

All transactions with related parties are properly disclosed in the notes to the financial statements.

h. Sundry creditors

Sundry creditors are measured at amortized cost using the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

(Expressed in Rupiah, unless otherwise stated)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

i. Financial assets and liabilities

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 50 (Revised 2006) "Financial Instruments: Presentation and Disclosure" and SFAS No. 55 (Revised 2006) "Financial Instruments: Recognition and Measurement" applicable for financial statements covering periods beginning on or after January 1, 2010, the accounting policy on financial assets and liabilities are as follows:

1) Financial Asset

Financial assets are classified into the following categories (i) financial assets at fair value are recognized through the income statement, (ii) loans and receivables, (iii) financial assets held to maturity, and (iv) financial assets available for sale. The classification is dependent on the objective when the financial assets were acquired. Management determines the classification of financial assets at initial recognition.

(i) Financial assets at fair value are recognized through the income statement

Financial assets at fair value are recognized in the consolidated profit or loss are financial assets classified as assets to be traded. A financial asset is classified as an asset to be traded if it is obtained primarily for the purpose of sale or repurchase in the near future and there is evidence to suggest the background to take advantage of short-term.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or predetermined payment that is not affected by an active market. Loans and receivables are initially recognized at fair value plus transaction costs and subsequently measured at cost which is amortized using the effective interest rate method.

(iii) Financial assets held to maturity

Financial assets held to maturity are non-derivative financial assets with payments and fixed maturity and has determined that the Company's management has the positive intent and ability to maturity, other than:

- a. The Company's financial assets are recognized at fair value through profit or loss;
- b. Company's financial assets available for sale; and
- c. Financial assets that meet the definition as loans and receivables.

These financial assets are initially recognized at fair value including transaction costs and subsequently remeasured at amortized cost by applying the effective interest rate method.

(iv) Financial assets available for sale

Financial assets available for sale are financial assets that are held to an unlimited period of time, which can be sold to meet liquidity needs or changes in interest rates, exchange rates, or that are not classified as loans and receivables, financial assets held to maturity tempo or financial assets at fair value are recognized through the income statement.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

i. Financial assets and liabilities *(Continued)*

1) Financial Asset *(Continued)*

(iv) Financial assets available for sale *(Continued)*

Financial assets available for sale are initially recognized at fair value plus transaction costs and are subsequently remeasured at fair value gains and losses are recognized in the statement of changes in equity, except for impairment losses and foreign exchange gains and losses, until such financial assets no longer recognized. If a financial asset available for sale is impaired, the cumulative gain or loss previously recognized in the statement of changes in equity, will be recognized in the income statement. However, interest calculated using the effective interest rate method, and gains or losses on foreign currency monetary assets which are classified as assets available for sale are recognized in the income statement for the year.

2) Financial liabilities

The company classifies its financial liabilities in categories (i) financial liabilities at fair value are recognized through the income statement and (ii) financial liabilities measured at amortized cost.

(i) Financial liabilities are recognized at fair value through profit and loss

Financial liabilities are recognized at fair value through profit or loss are financial liabilities classified as trading liabilities. A financial liability is classified as a trading liability if it acquired primarily for the purpose of sale or repurchase in the near future and there is evidence to suggest the background to take advantage of short-term.

Gains and losses arising from changes in fair value of derivatives that are managed in conjunction with the financial obligation is included in "gain/ loss on foreign exchange".

(ii) Financial liabilities measured at amortized cost

Financial liabilities not classified as financial liabilities at fair value are recognized through profit and loss are measured at amortized cost. Financial liabilities measured at amortized cost are trade and other payables, accrued expenses, and loans.

j. Fair value estimation

The Company uses several assessment techniques that are used in general to determine the fair value of financial instruments. Inputs used in valuation techniques for financial instruments on the market data that can be observed.

The fair value of financial instruments not traded in active markets is determined using valuation techniques. The Company uses discounted cash flow method using assumptions based on market conditions at balance sheet date which are then used to determine the fair value of financial instruments.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

k. Taxation

The Company has adopted Statement of Financial Accounting Standards ("SFAS") No. 46 with respect to "Accounting for Income Tax", for presenting the income tax expense and the income tax payable. Under this method, the tax effects of the temporary differences in the recognition of income and expenses between financial reporting and for tax purposes are recognized as deferred tax assets and/or liabilities. The currently enacted tax rates are used to determine the deferred taxes.

Deferred tax assets relating to the carry forward of unused tax losses, if any, are recognized to the extent, that future taxable profit would be available to compensate for the unused tax losses.

Amendments to the tax obligations are recorded when an assessment is received, or if appealed against, when the result of the appeal is determined.

Adjustment in tax is made once tax refund received, in case of dispute after the result of tax court

l. Revenue and expenses recognition

Revenue is recognized when goods are delivered. Expenses are recognized when incurred.

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Due to the inherent uncertainty in making estimates, actual results reported in the future periods may be based on amounts that differ from these estimates.

5. CASH AND CASH EQUIVALENTS

	2020	2019
In IDR		
- Bank BNI	499.186.056	980.117.475
- Bank Mandiri Jakarta	1.166.648.453	92.986.562
- Bank Mandiri - Bunyu	1.011.088.301	191.022.310
- Bank Pembangunan Daerah Kalimantan Timur	763.887.425	1.015.212.477
- Bank Danamon	40.703.111	828.561.418
- State Bank of India (SBI)	-	44.657
	3.481.513.346	3.107.944.899

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

5. CASH AND CASH EQUIVALENTS (Continued)

	2020	2019
In USD		
- Bank Mandiri (USD 2,071,246.94 in March 31, 2020 and USD 502,101.58 in March 31, 2019)	33.900.098.667	7.151.934.906
- State Bank of India (SBI) - (USD 30,323.04 in March 31, 2020 and USD 26,945.65 in March 31, 2019)	496.297.196	383.813.839
- Bank Standard Chartered - (USD 0, in March 31, 2020 and USD 17,348.98 in March 31, 2019)	-	247.118.871
	34.396.395.863	7.782.867.616
Total	37.877.909.209	10.890.812.515

6. INVENTORIES

	2020	2019
Coal	9.175.704.334	44.647.093.439
Sparepart	12.045.433.847	13.126.287.843
Fuel	7.280.765.652	4.751.508.488
Total	28.501.903.833	62.524.889.770

As of March 31, 2020, inventory crushed coal and Run of Mine in the open storage are covered by insurance. Based on Management's opinion, the insurance is adequate to cover possible losses.

7. LOANS AND ADVANCES

	2020	2019
Advances to supplier and service provider	158.028.189.151	11.978.661.837
Advances to staff	509.674.382	513.459.994
Total	158.537.863.533	12.492.121.831

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

8. FIXED ASSETS

	March 31, 2020				Ending Balance
	Beginning Balance	Additions	Deductions	Reclassification	
Acquisition Cost:					
Building and structures	54.581.311.856	-	-	-	54.581.311.856
Marine structure (Jetty)	40.050.651.998	-	-	-	40.050.651.998
Mining equipment	227.988.925.929	-	-	-	227.988.925.929
Plant & machinery	282.318.749.507	-	-	-	282.318.749.507
Vehicle	7.958.288.757	-	-	-	7.958.288.757
Computer & Fuel Management System	2.715.346.165	89.845.230	-	-	2.805.191.395
Office equipment-furniture	12.841.858.414	7.795.000	-	-	12.849.653.414
	628.455.132.626	97.640.230	-	-	628.552.772.856
Construction - in progress	-	-	-	-	-
	628.455.132.626	97.640.230	-	-	628.552.772.856
Accumulated Depreciation:					
Building and structures	35.099.737.772	1.997.959.708			37.097.697.480
Marine structure (Jetty)	20.620.688.058	2.002.532.600			22.623.220.658
Mining equipment	227.901.046.477	87.879.452			227.988.925.929
Plant & machinery	213.330.085.565	27.256.699.202			240.586.784.767
Vehicle	7.958.288.757	-			7.958.288.757
Computer & Fuel Management System	2.498.978.780	85.755.796			2.584.734.576
Office equipment-furniture	12.567.552.754	150.243.642			12.717.796.396
	519.976.378.163	31.581.070.400	-	-	551.557.448.563
Net Book Value	108.478.754.463				76.995.324.294

As of March 31, 2020, all assets are covered by insurance under the blanket policies with a total sum insured amounting to USD 29,525,500. Based on Management's opinion, there are no impairment of assets and the insurance adequate to cover possible losses. There are no asset as guarantee.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

8. FIXED ASSETS (Continued)

	March 31, 2019				Ending Balance
	Beginning Balance	Additions	Deductions	Reclassification	
Acquisition Cost:					
Building and structures	54.581.311.856				54.581.311.856
Marine structure (Jetty)	40.050.651.998				40.050.651.998
Mining equipment	227.988.925.929				227.988.925.929
Plant & machinery	281.854.137.007	464.612.500			282.318.749.507
Vehicle	7.958.288.757				7.958.288.757
Computer & Fuel Management System	2.540.456.462	174.889.703			2.715.346.165
Office equipment- furniture	12.838.558.414	3.300.000			12.841.858.414
	627.812.330.423	642.802.203	-	-	628.455.132.626
Construction - in progress	174.621.511		174.621.511	-	-
	627.986.951.934	642.802.203	174.621.511	-	628.455.132.626
Accumulated Depreciation:					
Building and structures	33.101.778.064	1.997.959.708	-	-	35.099.737.772
Marine structure (Jetty)	18.618.155.458	2.002.532.600	-	-	20.620.688.058
Mining equipment	226.351.016.259	1.550.030.218	-	-	227.901.046.477
Plant & machinery	185.880.616.573	27.449.468.992	-	-	213.330.085.565
Vehicle	7.958.288.757	-	-	-	7.958.288.757
Computer & Fuel Management System	2.424.193.718	74.785.062	-	-	2.498.978.780
Office equipment- furniture	11.696.406.109	871.146.645	-	-	12.567.552.754
	486.030.454.938	33.945.923.225	-	-	519.976.378.163
Net Book Value	141.956.496.996				108.478.754.463

As of March 31, 2019, all assets are covered by insurance under the blanket policies with a total sum insured amounting to USD 26,133,850. Based on Management's opinion, there are no impairment of assets and the insurance adequate to cover possible losses. There are no asset as guarantee.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

9. EXPLORATION AND EVALUATION ASSETS

March 31, 2020				
	Beginning Balance	Additions	Deductions	Ending Balance
Acquisition cost:				
Land compensation	82.246.353.221		-	82.246.353.221
Miscellaneous expense	107.560.898.343		-	107.560.898.343
	189.807.251.564	-	-	189.807.251.564
Accumulated amortization:				
Land compensation	60.687.803.620	2.236.125.170	-	62.923.928.790
Miscellaneous expense	57.319.814.965	10.607.982.020	-	67.927.796.985
	118.007.618.585	12.844.107.190	-	130.851.725.775
Net book value	71.799.632.979			58.955.525.789
March 31, 2019				
	Beginning Balance	Additions	Deductions	Ending Balance
Acquisition cost:				
Land compensation	81.531.353.221	715.000.000	-	82.246.353.221
Miscellaneous expense	107.560.898.343	-	-	107.560.898.343
	189.092.251.564	715.000.000	-	189.807.251.564
Accumulated amortization:				
Land compensation	28.902.431.199	31.785.372.421	-	60.687.803.620
Miscellaneous expense	46.616.169.678	10.703.645.287	-	57.319.814.965
	75.518.600.877	42.489.017.708	-	118.007.618.585
Net book value	113.573.650.687			71.799.632.979

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

10. DEPOSITS

	2020	2019
Statutory Deposits	30.843.153.673	29.546.093.365
Statutory Deposits include reclamation deposit as follow:		
in 2011	6.392.406.712	6.392.406.712
in 2012	3.897.590.267	3.897.590.267
in 2013	4.865.582.382	4.865.582.382
in 2014	3.187.471.630	3.187.471.630
in 2015	2.044.408.201	2.044.408.201
in 2016	1.274.675.577	1.274.675.577
in 2017	2.839.978.863	2.839.978.863
in 2018	5.043.979.733	5.043.979.733
in 2019	1.297.060.308	-
Total	30.843.153.673	29.546.093.365

An IUP-Exploration holder, among other requirements, must include a reclamation plan in its exploration work plan and budget and provide a reclamation guarantee in the form of a time deposit placed at a state-owned bank. As at the date of these financial statements, Company has placed reclamation guarantees in the form of deposit. These deposit will mature once land reclamation process is completed by IUP Holder.

11. INVESTMENT

	2020	2019
PT Coalindo Indonesia	200.000.000	200.000.000
Total	200.000.000	200.000.000

12. OTHER ASSETS

	2020	2019
Others assets	25.029.820.469	51.383.897.620
Total	25.029.820.469	51.383.897.620

The company has ongoing tax dispute amounting to Rp 19.134.966.462 as shown under other Assets at Tax Branch Office, result of which is awaited. Management will make necessary adjustments (i.e. either recording of tax expense / receipt of advance tax) once tax audit decision is final.

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

13. SUNDRY CREDITORS

	2020	2019
Related Party		
PT Adani Global	8.723.747.566	16.262.103.290
Total	8.723.747.566	16.262.103.290
Third Party		
- Sundry creditor for expense	39.963.125.628	187.704.280.393
- Sundry creditor for goods/spares	9.022.276.605	12.846.594.459
- Sundry creditor for capital goods	5.119.111.720	7.699.371.270
Total	62.828.261.519	224.512.349.412

14. OTHER PAYABLES

	2020	2019
Advance from customers	470.619.354.070	165.713.528.704
Outstanding expenses	24.147.644.444	24.167.644.444
Salary payables	6.919	6.644.010.908
Jamsostek Payable	253.968.397	299.840.052
Total	495.020.973.830	196.825.024.108

Advance from customers is an advance for purchasing the coal, while outstanding expenses is an outstanding for demurrage cost.

15. TAXATION

	2020	2019
a. Taxes payable		
Income tax - article 29	-	8.476.649.939
Income tax - article 23	377.335.434	1.369.778.968
Income tax - article 21	956.736.235	948.697.580
Income tax - article 15	72.288.230	37.654.855
Value Added Tax	2.487.417	9.819.501
Total	1.408.847.316	10.842.600.843
b. Tax income/(expenses)		
Current tax	-	(8.476.649.939)
Deferred tax income/(expenses)	12.063.120.201	(7.498.583.788)
Total	12.063.120.201	(15.975.233.727)

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

15. TAXATION (continued)

c. Current tax

The reconciliation between income before tax as shown in the statements of income and the estimated taxable income are as follows:

	<u>2020</u>	<u>2019</u>
Profit/(loss) before income tax	(54.828.784.488)	6.274.839.571
Temporary differences:		
Amortization of deferred expenses	-	8.030.378.387
Depreciation	5.320.549.961	2.522.583.356
Pension retirement benefit	(2.461.339.067)	3.595.702.483
Permanent differences:		
Non deductible expenses	4.518.336.861	14.787.062.371
Deductible expenses (Interest Income)	(1.375.659.690)	(1.303.966.413)
Taxable income before tax loss carry forward	<u>(48.826.896.423)</u>	<u>33.906.599.756</u>
Less : Tax loss carry forward	-	-
Estimated taxable Income (loss)	<u>(48.826.896.423)</u>	<u>33.906.599.756</u>

Calculation of current tax expenses and tax refundable/ (taxes payable) are as follows:

	<u>2020</u>	<u>2019</u>
Current tax expenses	-	8.476.649.939
Current tax	<u>-</u>	<u>8.476.649.939</u>

d. Deferred tax

The tax effect of the temporary differences between commercial and fiscal calculation with a tax rate (25%) is as follows:

	<u>2020</u>	<u>2019</u>
Deferred tax assets		
Depreciation	28.330.074.177	15.610.947.587
Pension retirement benefit	6.974.614.434	7.630.620.824
Total	<u>35.304.688.611</u>	<u>23.241.568.410</u>

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

15. TAXATION *(continued)*

e. Administration

Under the taxation laws of Indonesia, the Company submits tax returns on the basis of self assessment. The tax authorities can assess or amend the taxes within a period of five (5) years from the date the taxes became due.

16. PROVISION FOR RETIREMENT BENEFIT

The Company provides provision for employee benefits based on Law of Manpower No. 13 of 2003. The estimated liability for employee benefits as of March 31, 2020 and March 31, 2019 amounted to Rp27,898,457,736 and Rp 30,522,483,294, respectively. As of March 31, 2020, the estimated of employee benefits was determined by the independent actuarial calculation of PT Sigma Prima Solusindo, Independent actuarial used the "Projected Unit Credit" method with the following assumptions as following:

	2020	2019
Salary increase rate	7%	7%
Discount rate	8,34%	7,96%
Mortality rate	TMI-III in 2011	TMI-III in 2011
Recognition of (Liabilities) / Assets in Balance Sheet		
	2020	2019
Assets and Liabilities		
Present Value of Defined Benefit Obligation	27.898.457.736	30.522.483.294
Recognition of (Liabilities) / Assets in Balance Sheet	27.898.457.736	30.522.483.294
Reconcile of Amount that Recognized in Balance Sheet		
(Liabilities)/Assets at Beginning Period	30.522.483.294	24.433.999.560
Transferred PBO	-	2.322.774.405
(Expenses)/Revenue	5.318.079.933	5.335.542.292
Other Comprehensive Income / (Expenses)	(162.686.491)	256.472.439
Realization of Benefits Payment	(7.779.419.000)	(1.826.305.402)
(Liabilities)/Assets at Ending Period	27.898.457.736	30.522.483.294
Expenses		
Current Services Cost	2.888.490.263	3.610.501.923
Interest Cost	2.429.589.670	1.725.040.369
Expenses / (Revenue) in Income Statement	5.318.079.933	5.335.542.292

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

17. SHARE CAPITAL

According to the Notarial Deed number 8 by Rohana Frieta, SH dated May 24, 2011, the Shareholders agreed to increase of the share capital of the Company from Rp500,000,000,- to become Rp10,500,000,000,-.

The composition of issued and paid-up shares as of March 31, 2020 and March 31, 2019 is as follows:

Shareholders	Number of Shares Issued	Percentage of Ownership	Amount
PT Niaga Antar Bangsa	7.875	75%	7.875.000.000
PT Niaga Lintas Samudra	2.625	25%	2.625.000.000
Total	10.500	100%	10.500.000.000

18. ADDITIONAL PAID IN CAPITAL

	2020	2019
Business combination of entities under common control	(15.808.685.252)	(15.808.685.252)
Total	(15.808.685.252)	(15.808.685.252)

Based on the General Meeting of Shareholders that formed basis for notarial deed No. 13 of Fessy Farizqoh Alwi, SH., M.Kn, public Notary Jakarta dated June 5, 2018, that is, the company merged with PT Mitra Niaga Mulia which is effectively implemented on June 8, 2018 and PT Lamindo Inter Multikon as an entity that continues (surviving company). The deed of notification of merger has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia under the letter No. AHU-AH.01.10-0006437, dated June 8, 2018. The Merger is carried out at book value based on the approval of tax department vide letter no KEP-244/WPJ.19/2018 dated 13th December 2018.

Net Assets	(15.152.685.252)
Investee	(656.000.000)
Difference in value from restructuring transactions	(15.808.685.252)

The transaction is recorded and recognized in its carrying value in accordance with PSAK 38 (Business Combination of Entities Under Common Control).

19. SALES

	2020	2019
Coal	376.490.818.268	1.405.163.938.353
Total	376.490.818.268	1.405.163.938.353

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

20. COST OF SALES

	2020	2019
Opening Stocks	44.647.093.439	89.213.144.074
Direct Cost :		
Salaries	62.399.244.796	82.240.433.112
Solar & FOG expenses	50.565.471.803	190.181.040.794
Crane hiring rent	43.725.723.160	160.714.966.621
Depreciation	31.581.070.400	33.945.922.211
Barges rent	26.918.100.997	58.905.807.878
Contracted Charges	10.923.866.187	405.083.090.492
Dump truck expenses	10.690.129.763	36.054.004.543
Rental equipment charges	9.863.604.000	20.536.917.500
Drilling and exploration expenses	9.435.606.000	15.040.496.329
Coal handling plant	8.275.541.249	12.467.734.042
Excavator expenses	6.085.716.779	12.816.680.610
Stevedoring expenses	3.580.638.446	9.036.748.126
Testing & analysis expenses	1.866.128.730	2.829.731.213
Repair and maintenance	1.744.593.530	5.861.881.550
Dozer expenses	1.716.050.933	5.494.871.818
General spares expenses	1.716.416.219	304.027.899
Freight Others	1.601.493.439	3.377.352.261
Pickup expenses	898.990.056	2.876.585.947
Generator expenses	740.677.157	10.117.035.055
Demurage expenses	622.068.333	22.417.985.266
Loading & unloading	284.067.480	537.304.400
Wages (Site)	202.163.822	173.484.617
Marine insurance	-	885.576.176
Others	275.578.141	196.163.537
	285.712.941.420	1.092.095.841.997
Closing Stocks	(9.175.704.334)	(44.647.093.439)
Total	321.184.330.525	1.136.661.892.632

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

21. INDIRECT EXPENSES

	2020	2019
Miscellaneous expense	10.609.217.020	10.703.645.287
PNBP shipping	10.143.843.991	29.099.996.630
Traveling expenses	9.188.004.838	13.461.363.580
Tax expenses/PBB	6.926.136.982	14.105.800.822
Employee benefit	5.678.839.124	5.335.542.292
Security charges	4.951.426.325	5.375.835.725
Fooding expenses	3.793.249.329	7.278.806.812
Office expenses	3.269.973.788	4.625.032.701
Medical	3.217.332.347	3.366.232.677
Insurance expenses	2.326.313.713	2.559.887.347
Honorarium	2.245.669.570	2.650.270.157
Amortization of Land Compensation	2.236.125.170	31.788.472.421
Repair and maintenance/Jetty replace	1.635.198.293	33.864.525.127
Reclamation expenses	1.529.425.067	5.118.629.458
Legal & professional fees	1.477.858.607	14.578.055.927
Miscellaneous	1.219.132.645	3.504.021.688
Fresh water charges	850.744.000	677.257.500
CSR expenses	382.380.000	1.169.665.750
Rent	304.000.000	312.486.111
Speed boat charges	148.704.000	280.217.015
IPK expenses	5.000.000	5.616.505.102
DMO quota expenses	-	45.598.352.377
Others	1.111.888.552	512.125.889
Total	73.250.463.361	241.582.728.395

22. OTHERS INCOME (EXPENSES)

	2020	2019
OTHER INCOME		
Net interest income	1.375.659.690	1.374.213.017
Dividend income	24.347.400	20.408.500
Others	408.902.707	307.916.480
Subtotal	1.808.909.797	1.702.537.997
OTHER EXPENSES		
Foreign exchange loss	(38.211.580.351)	(12.249.669.294)
Bank charges	(328.682.979)	(685.864.053)
Others	(275.470.205)	(6.564.040)
Subtotal	(38.815.733.535)	(12.942.097.387)
Total	(37.006.823.738)	(11.239.559.390)

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The information given below relates to the Company's financial assets and liabilities by categories as of March 31, 2020:

	Total	Loan and receivables	FVTPL	Other financial liabilities
Financial assets				
Cash and cash equivalents	37.877.909.209	37.877.909.209	-	-
Loans and Advances	158.537.863.533	158.537.863.533	-	-
Investment	200.000.000	-	200.000.000	-
Total financial assets	196.615.772.742	196.415.772.742	200.000.000	-
Financial liabilities				
Sundry creditors	62.828.261.519	-	-	62.828.261.519
Others payable	495.020.973.830	-	-	495.020.973.830
Total financial liabilities	557.849.235.349	-	-	557.849.235.349

The information given below relates to the Company's financial assets and liabilities by categories as of March 31, 2019:

	Total	Loan and receivables	FVTPL	Other financial liabilities
Financial assets				
Cash and cash equivalents	10.890.812.515	10.890.812.515	-	-
Sundry debtor	-	-	-	-
Loans and Advances	12.492.121.831	12.492.121.831	-	-
Investment	200.000.000	-	200.000.000	-
Total financial assets	23.582.934.346	23.382.934.346	200.000.000	-
Financial liabilities				
Sundry creditors	224.512.349.412	-	-	224.512.349.412
Others payable	196.825.024.108	-	-	196.825.024.108
Total financial liabilities	421.337.373.520	-	-	421.337.373.520

PT LAMINDO INTER MULTIKON
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2020

(Expressed in Rupiah, unless otherwise stated)

24. GOING CONCERN

Company management to evaluate the entity's ability to continue as a going concern and require disclosures when either financial statements are prepared on a going concern basis or there is substantial doubt about the entity's ability to continue as a going concern. The Company management confirm that :

1. It has no intention to cease the operation of the Company within the next year or within foreseeable future. No Liquidation within the next 12 months.
2. It will continue to provide financial and / or other support as necessary for the Company to enable it to continue its operation and to meet its obligations when they are due.
3. In the case of financial difficulties the company's shareholders will support.

The financial statements have been prepared on basis of the Company continuing as a going concern and do not include any adjustments that might result from the outcome of this uncertainty.

25. SIGNIFICANT EVENTS

Since early 2020, the Coronavirus Disease 2019 (COVID-19) outbreak has been plagued accros many countries, including Indonesia. However, there has material impact on the Group's financial performance up to the 1st quarter of 2020. the duration and extent of the impact from the COVID-19 pandemic depends on future developments that cannot be accurately predicted at this time, thus the overall impact cannot be reliably estimated as of the date of financial statements. Management will closely monitor the development of the COVID-19 outbreak and continue to evaluate its impact to the future sales, operating results and overall financial performance of the group.

On 31 March 2020, the Government issued Government Regulation in Lieu of Law No. 1 Year 2020 concerning "State Financial Policies And Financial System Stability For Handling The COVID-19 Pandemic and/or In Facing Threats That Endanger the National Economy and/or Financial System Stability". This regulation, among others, regulates the adjustment of CIT rate for domestic tax payers and permanent establishments to become 22% in the 2020 and 2021 fiscal years and 20% for the 2022 fiscal year. In addition, an additional 3% reduction from the above tariff will be given for the public listed companies that have total number of paid share capital of at least 40% traded on a stock exchange in Indonesia and which meet certain requirements to be set out in the further implemeting Government Regulation.