

Financial Statements of

**PT. Gemilang Pusaka Pertiwi**

For the years ended 31 March 2016 and 2015

With Independent Auditors' report thereon

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**BOARD OF DIRECTORS' STATEMENT**  
REGARDING  
THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS  
AS AT AND FOR THE YEARS ENDED 31 MARCH 2016 AND 2015  
**PT. GEMILANG PUSAKA PERTIWI**

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We, the undersigned :

1. Name : Mr. Dani Daksinaputra  
Office address : Graha Mustika Ratu, lantai 3, Jl. Jend.Gatot Subroto Kav. 74 - 75  
Domicile address : Jl. Destarata 7 no. 10 – Tegal Gundil, Bogor Utara,  
based on ID Card Kota Bogor 16152  
Phone number : 021 - 8307406 / Fax 83007407 Kode Pos: 12870  
Function : Director

declare that :

1. We are responsible for the preparation and presentation of PT. Gemilang Pusaka Pertiwi's financial statements;
2. PT. Gemilang Pusaka Pertiwi's financial statements have been prepared and presented in accordance with accounting principles generally accepted in Indonesia;
3. a. All information in the PT. Gemilang Pusaka Pertiwi's Financial Statements have been disclosed in a complete and truthful manner;  
b. PT. Gemilang Pusaka Pertiwi's financial statements do not contain incorrect information nor materials fact, nor do they omit information or material facts;
4. We are responsible for PT. Gemilang Pusaka Pertiwi's internal control systems.

Thus this statement is made truthfully.

For and on behalf of the Board of Directors

Jakarta, 21 April 2016



Dani Daksinaputra  
Director



# Armen, Budiman & Rekan

Registered Public Accountants

Gedung Graha Seti, Lt. 1  
Jl. KH. Abdullah Syafe'i, Kav. A 20  
Gudang Peluru - Tebet  
Jakarta 12830

Mail : PO Box 4071/JKTJ 13040  
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E-mail : [auditaa@cbn.net.id](mailto:auditaa@cbn.net.id)

Operating license :  
KEP-3/KM.1/2008

No.: R. 016/BAR/2016

## Independent Auditors' Report

**The Shareholders and The Board of Directors,  
PT. Gemilang Pusaka Pertiwi**

We have audited the accompanying financial statements of **PT. Gemilang Pusaka Pertiwi** ("The Company"), which comprise the statement of financial position as of 31 March 2016, and the statements of comprehensive income, changes in equity, and cash flows for the year then ended, 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 such financial statements in accordance with Indonesian Financial Accounting Standards, 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 such financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing established by the Indonesian 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 such 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider 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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT. Gemilang Pusaka Pertiwi of 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Jakarta, 21 April 2016



Drs. Budiman A. Rozik, CPA

License No.: AP.0448

**PT. Gemilang Pusaka Pertiwi**  
**Statements of financial position**

As of 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	Note	2016	2015
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	42.816.340	49.970.740
<b>Total current assets</b>		<b>42.816.340</b>	<b>49.970.740</b>
<b>Non current assets</b>			
Fixed Assets	4	822.620.632	822.620.632
Deferred expenses	5	1.004.111.307	1.004.111.307
Deferred tax assets	6 b	65.941.270	113.289.206
		1.892.673.209	1.940.021.145
<b>Total assets</b>		<b>1.935.489.549</b>	<b>1.989.991.885</b>
<b>Liabilities and Shareholders' equity</b>			
<b>Current liabilities</b>			
Other creditors and accruals	7	267.732.476	266.632.476
<b>Total current liabilities</b>		<b>267.732.476</b>	<b>266.632.476</b>
<b>Long term liabilities</b>			
Unsecured loans	8	1.635.000.000	1.625.000.000
<b>Total liabilities</b>		<b>1.902.732.476</b>	<b>1.891.632.476</b>
<b>Shareholders' equity</b>			
Share capital :	9		
Authorized capital : 4.000 shares with par value of Rp 500.000 per share.			
Issued and paid up capital : 1.020 shares		510.000.000	510.000.000
Accumulated loss		(477.242.927)	(411.640.591)
<b>Total shareholders' equity</b>		<b>32.757.073</b>	<b>98.359.409</b>
<b>Total liabilities and shareholders' equity</b>		<b>1.935.489.549</b>	<b>1.989.991.885</b>

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT. Gemilang Pusaka Pertiwi**  
**Statements of comprehensive income**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	Note	2016	2015
Revenues		-	-
Direct expenses		-	-
Gross profit / (loss)		-	-
Operating expenses			
General and administrative expenses	10	(17.900.000)	(16.800.000)
Operating profit / (loss)		(17.900.000)	(16.800.000)
Other income / (expenses) - net	11	(354.400)	8.655.000
Profit / (loss) before income tax		(18.254.400)	(8.145.000)
Corporate income tax - income / (expense)	6b		
Current		-	-
Deferred		(47.347.936)	58.070.802
Net income / (loss)		(65.602.336)	49.925.802
Other comprehensive income		-	-
Total comprehensive income / (loss)		(65.602.336)	49.925.802

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT. Gemilang Pusaka Pertiwi**  
**Statements of changes in shareholders' equity**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	Note	2016	2015
<b>Share Capital</b>	9		
Beginning balance		510.000.000	510.000.000
Ending balance		510.000.000	510.000.000
<b>Accumulated loss</b>			
Beginning balance		(411.640.591)	(461.566.393)
Comprehensive income / (loss) for the year		(65.602.336)	49.925.802
Ending balance		(477.242.927)	(411.640.591)
<b>Total Shareholders' equity</b>		<b>32.757.073</b>	<b>98.359.409</b>

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

**PT. Gemilang Pusaka Pertiwi****Statements of Cash flows**

For the years ended 31 March 2016 and 2015

*The Financial Statements are prepared in Rupiah*

	Note	2016	2015
<b>Cash flows from operating activities</b>			
Loss before income tax		(18.254.400)	(8.145.000)
Changes in working capital			
Advances		-	-
Tax payable		-	-
Other creditors and accruals		1.100.000	-
<b>Net cash used for operating activities</b>		<b>(17.154.400)</b>	<b>(8.145.000)</b>
<b>Cash flows from / (used for) investing activities</b>			
Fixed assets additions		-	-
Deferred expenses		-	-
<b>Net cash used for investing activities</b>		<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>			
Proceeds from loans		10.000.000	25.000.000
<b>Net cash from financing activities</b>		<b>10.000.000</b>	<b>25.000.000</b>
Increase / (decrease) in cash and cash equivalents		(7.154.400)	16.855.000
Cash and cash equivalents - at the beginning of year		49.970.740	33.115.740
<b>Cash and cash equivalents - at the end of year</b>		<b>42.816.340</b>	<b>49.970.740</b>

See the accompanying notes to the financial statements, which form an integral part of these financial statements.

# PT. Gemilang Pusaka Pertiwi

## Notes to the Financial Statements

*The Financial Statements are prepared in Rupiah*

### 1. General

PT. Gemilang Pusaka Pertiwi ("the Company") was established under the notary deed No. 3 of Rohana Frieta S.H., public notary in Jakarta, dated 6 February 2008, and has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia in the letter No. : AHU - 10895.AH.01.01. Tahun 2008.

The Company's Article of Association has been amended several times and the latests is under the notarial deed No. 6 of Rohana Frieta S.H., public notary in Jakarta, dated 13 December 2013, regarding the changed of the share holders of the Company.

According to the Articles of Association, the Company's scope of activities, among others, are coal minings and others.

The Board of Commissioners and Directors are as follows:

	2016	2015
<b>Board of Commissioners:</b>		
Commissioner	Ms. Prosidawaty Malemta	Ms. Prosidawaty Malemta
<b>Board of Directors:</b>		
President Director	Mr. Abdi Khalik Ginting	Mr. Abdi Khalik Ginting
Director	Mr. Dani Daksinaputra	Mr. Dani Daksinaputra

### 2. Summary of significant accounting policies

Set out below is a summary of the significant accounting policies adopted by the Company in the preparation of the financial statements.

#### a. Basis of financial statements preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in Indonesia, except otherwise stated.

The statements of cash flows are prepared based on the indirect method by classifying cash flows arising from operating, investing and financing activities.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reporting amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements and the reporting amounts of revenues and expenses during the reporting period. Actual result could differ from those estimates.

#### b. Foreign currency transactions and balances

The company maintains its accounting records in Rupiah currency. Transactions in currencies other than Rupiah are recorded at the prevailing rate of exchange in effect on the date of the transactions.

## PT. Gemilang Pusaka Pertiwi

### Notes to the Financial Statements - continued

*The Financial Statements are prepared in Rupiah*

#### 2. Summary of significant accounting policies - continued

##### b. Foreign currency transactions and balances - continued

At balance sheet date, all monetary assets and liabilities denominated in foreign currency have been translated at the prevailing exchange rate at that date.

The principal rate of exchange used as of 31 March were as follows:

	2016	2015
USD. 1	13.276	13.084

Exchange gains or losses arising from foreign currency translations are recognized in the current year statements of profit and loss.

##### c. Financial Assets

All financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract which terms require delivery of the financial asset within the timeframe established by the market concerned. All financial assets are initially measured at fair value plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

The Company's financial assets are classified as "Available-for-sale Financial Assets" and "Loans and Receivables".

##### Available-for-sale financial assets (AFS)

Listed equity shares held by the Company are classified as being AFS and are stated at fair value.

Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated in equity. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in equity is reclassified to profit or loss.

In case where fair value of unlisted equity shares cannot be determined reliably, the asset is carried at cost less impairment.

Dividends on AFS equity instruments, if any, are recognised in statements of comprehensive income when the Company's right to receive the dividends is established.

##### Loans and receivables

Receivables from customers and other non-derivative receivables that have fixed or determinable payments that are not quoted in an active market are classified as "Loans and Receivables". Loans and receivables are measured at amortised cost using the effective interest method less impairment. Interest is recognised by applying the effective interest method, except for short-term receivables when the recognition of interest would be immaterial.

## **PT. Gemilang Pusaka Pertiwi**

### **Notes to the Financial Statements - continued**

*The Financial Statements are prepared in Rupiah*

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## **2. Summary of significant accounting policies - continued**

### **c. Financial Assets - continued**

#### **Impairment of financial assets**

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For listed and unlisted equity investments classified as AFS, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For loans and receivables, objective evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- breach of contract, such as default or delinquency in interest or principal payment; or
- it becoming probable that the borrower will enter bankruptcy or financial re-organisation.

Loans and receivables that are assessed not to be impaired individually are, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

The amount of the impairment on loans and receivables is the difference between the assets' carrying amount and the present value of estimated future cash flows, discounted at the financial assets original effective interest rate.

For AFS financial asset, the carrying amount of the investment is directly reduced by the impairment loss. For loans and receivables, its carrying amount is reduced through the use of an allowance account. When a receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

For AFS equity securities, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised directly in other comprehensive income.

## **PT. Gemilang Pusaka Pertiwi**

### **Notes to the Financial Statements - continued**

*The Financial Statements are prepared in Rupiah*

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## **2. Summary of significant accounting policies - continued**

### **c. Financial Assets - continued**

#### **Derecognition of financial assets**

The Company derecognise a financial asset only when the contractual rights to the cash flows from the asset expire, or when they transfer the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Company recognise their retained interest in the asset and an associated liability for amounts they may have to pay. If the Company retain substantially all the risks and rewards of ownership of a transferred financial asset, the Company continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

### **d. Financial Liabilities and Equity Instruments**

#### **Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company and its subsidiaries are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company and its subsidiaries after deducting all of their liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

#### **Financial liabilities**

Trade and other payables, bank and other borrowings are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method, with interest expense recognised on an effective yield basis.

Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings.

#### **Derecognition of financial liabilities**

The Company derecognise financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expire.

### **e. Netting of Financial Assets and Financial Liabilities**

The Company only offset financial assets and liabilities and present the net amount in the statement of financial position where they :

- currently have a legal enforceable right to set off the recognized amount, and
- intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## **PT. Gemilang Pusaka Pertiwi**

### **Notes to the Financial Statements - continued**

*The Financial Statements are prepared in Rupiah*

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#### **2. Summary of significant accounting policies - continued**

##### **f. Cash and cash equivalent**

Cash and cash equivalents consist of cash on hand and at banks, short term deposits with maturity not more than three months at the time of placement and bank overdraft, which are not pledged as collateral nor restricted to be used.

##### **g. Related parties**

Related party transaction is a transfer of resources or obligations between related party, regardless of whether a price is charged.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

##### **h. Fixed assets**

Fixed assets are stated at cost less their accumulated depreciation.

Construction in progress is stated at acquisition cost and presented as fixed assets. The accumulated costs will be reclassified to the appropriate fixed assets accounts when the construction is completed and the asset is ready for its intended use.

##### **i. Deferred expenses**

All costs associated with acquisition, exploration and development of coal reserves, including directly related overhead costs, are capitalised as deferred expense.

Exploration and development costs are accumulated for each area of interest and deferred until such area of interest commence its commercial production.

At the balance sheet date, each of the area of interest are evaluated to determine the recoverable of the carrying value of the deferred exploration and development expenses in the future, adjustments made if necessary.

Deferred exploration and development expenses are amortised on straight-line basis from the date of commercial production of the respective area of interest.

The net carrying value of each area of interest is reviewed regularly and to the extent this value exceeds its recoverable value, that excess is provided for or written-off in the year in which this is determined.

##### **j. Corporate income tax**

Current tax expense is determined based on the taxable income for the year computed using the prevailing tax rates.

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to all temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases.

## PT. Gemilang Pusaka Pertiwi

### Notes to the Financial Statements - continued

*The Financial Statements are prepared in Rupiah*

## 2. Summary of significant accounting policies - continued

### j. Corporate income tax - continued

Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable the taxable profit will be available in future periods against which the deductible temporary differences and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the assets realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax expenses are charged or credited in the statements of profit and loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are offset in the balance sheet date in the same manner when the current tax assets and liabilities are presented.

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

	2016	2015
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## 3. Cash and cash equivalents

Cash - USD. 2,800.	37.172.800	36.635.200
Bank	5.643.540	13.335.540
	42.816.340	49.970.740

## 4. Fixed assets

Balances and movement of fixed assets are as follows :

	Opening Balance	Addition	Adjustment	Closing Balance
<b>Land - at costs</b>				
<b>2016</b>	822.620.632	-	-	822.620.632
<b>2015</b>	822.620.632	-	-	822.620.632

## PT. Gemilang Pusaka Pertiwi

### Notes to the Financial Statements - continued

The Financial Statements are prepared in Rupiah

#### 5. Deferred expenses

	Opening Balance	Addition	Adjustment	Closing Balance
<b>South Sumatera - at costs</b>				
<b>2016</b>	1.004.111.307	-	-	1.004.111.307
<b>2015</b>	1.004.111.307	-	-	1.004.111.307

Currently, the Company is still in the development stage, therefore, the deferred expenses are not amortised yet.

#### 6. Taxes

	2016	2015
<b>a. Corporate income tax</b>		
Profit / (Losses) before corporate income tax	(18.254.400)	(8.145.000)
Permanent differences	-	-
Timing differences	-	-
Total fiscal correction	-	-
	(18.254.400)	(8.145.000)
Less : Carried forward tax losses	(548.156.825)	(601.262.424)
Adjustments - carried forward tax losses	302.646.142	61.250.599
Estimated taxable income / (Losses)	(263.765.083)	(548.156.825)
Corporate income tax expense :		
Current year	-	-
Deferred tax (expense) / income	(47.347.936)	58.070.802
	(47.347.936)	58.070.802
<b>b. Deferred tax assets</b>		
	Balance Balance	Balance Balance
Timing difference:		
Deferred expense	(95.000.000)	-
Less : Carried forward		
Tax losses	548.156.825	18.254.400
	453.156.825	(302.646.142)
Deferred tax assets/(liabilities)	263.765.083	263.765.083
- at 25 %	113.289.206	4.563.600
	113.289.206	(51.911.536)
	65.941.270	65.941.270

## PT. Gemilang Pusaka Pertiwi

### Notes to the Financial Statements - continued

The Financial Statements are prepared in Rupiah

	2016	2015		
<b>7. Other creditors and accruals</b>				
Interest payable	235.332.476	235.332.476		
Legal and professional fees	15.400.000	14.300.000		
Other creditor	17.000.000	17.000.000		
	<u>267.732.476</u>	<u>266.632.476</u>		
<b>8. Unsecured loans</b>				
PT. Sumber Dana Usaha	-	1.625.000.000		
PT. Niaga Antar Bangsa	1.635.000.000	-		
	<u>1.635.000.000</u>	<u>1.625.000.000</u>		
<b>9. Shares capital</b>				
<b>Authorized shares capital</b>				
4.000 shares with par value of Rp. 500.000 each	2.000.000.000	2.000.000.000		
<b>Issued and paid up capital</b>				
1.020 shares has been issued and fully paid, as follows :				
Name of Shareholders	Ownership		2016	2015
	No. of shares	Percentage		
PT. Niaga Antar Bangsa	765	75%	382.500.000	382.500.000
PT. Niaga Lintas Samudra	255	25%	127.500.000	127.500.000
	<u>1.020</u>	<u>100%</u>	<u>510.000.000</u>	<u>510.000.000</u>
<b>10. General and administrative expenses</b>				
Legal and professional fees	17.900.000	16.800.000		
	<u>17.900.000</u>	<u>16.800.000</u>		

## PT. Gemilang Pusaka Pertiwi

### Notes to the Financial Statements - continued

*The Financial Statements are prepared in Rupiah*

	2016	2015
<b>11. Other income / (expenses)</b>		
Gain / (loss) on foreign exchange	537.600	9.422.000
Bank charges	(892.000)	(767.000)
	<u>(354.400)</u>	<u>8.655.000</u>

### 12. Related party transactions and balances

**Balances :**

Unsecured loan	PT. Sumber Dana Usaha	-	1.625.000.000
	PT. Niaga Antar Bangsa	1.635.000.000	-
Interest payable	PT. Adani Global	235.332.476	235.332.476