

Consolidated Financial Statements of

PT Coal Indonesia and Subsidiaries

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. COAL INDONESIA AND ITS SUBSIDIARIES

We, the undersigned :

- | | | |
|--------------------------------------|---|--|
| 1. Name | : | Mr. Badri Prasad Rath |
| Office address | : | Graha Mustika Ratu, Lantai 3, Jl. Jend Gatot Subroto, Kav 74-75
Jakarta Selatan |
| Domicile address
based on ID Card | : | APT. Taman Rasuna Tower 17/20F
Jl. Rasuna Said Jakarta Selatan |
| Phone number | : | 021-8307406 / Fax 8307407 |
| Function | : | President Director |

declare that :

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

Thus this statement is made truthfully.

For and on behalf of the Board of Directors

Jakarta, 21 April 2016



Badri Prasad Rath
President 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

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

No.: R. 019/WD/2016

Independent Auditors' Report

**The Shareholders and The Board of Directors,
PT. Coal Indonesia**

We have audited the accompanying consolidated financial statements of **PT. Coal Indonesia** and its subsidiaries ("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 consolidated financial statements present fairly, in all material respects, the financial position of **PT. Coal Indonesia** and its subsidiaries as of 31 March 2016 and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Emphasis of matter

Without qualifying our opinion, we draw attention to the note 14 to the financial statements. The company has suffered recurring losses from operations and as of 31 March 2016 has a capital deficiency of Rp. 9.988.152.825. This conditions raise a substantial doubt about the Company's ability to continue as a going concern. However, the board of Directors is in the opinion that the "Going concern basis" in the preparation of this financial statements can still be applied as the mayor shareholders committed to provide financial support to meet the company's obligations as and when they fall due. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Other matter

Our audits were conducted for the purpose of expressing an opinion on the basic consolidated financial statements taken as a whole. The accompanying supplementary information on pages 17 to 25 are presented for purposes of additional analysis only and is not a required part of the basic consolidated financial statements. Such supplementary information is the responsibility of the Company's management. Such information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements mentioned above and, in our opinion, is fairly presented in all material respects in relation to the basic consolidated financial statements taken as a whole.

Jakarta, 21 April 2016



Drs. Wahyu Darmawan, CPA
License No. AP.0481

PT. Coal Indonesia and Subsidiaries
Consolidated Statements of Financial Position

As of 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	Notes	2016	2015
Assets			
Current assets			
Cash and cash equivalents	3	1.573.580.677	1.209.640.725
Trade receivables		-	732.500.000
Loans and advances	4	4.267.341.803	1.096.636.530
		5.840.922.480	3.038.777.255
Other non current assets			
Prepaid taxes	5a	176.255.652	180.762.471
Fixed assets - net	6	8.543.217	1.061.082.007
Deferred expenses		-	16.047.952.602
Deferred tax assets	5d	4.083.402.855	3.679.839.096
Other non current assets			2.266.926.980
		4.268.201.724	23.236.563.156
Total assets		10.109.124.204	26.275.340.411
Liabilities and Shareholders' equity			
Current liabilities			
Trade payable		2.052.812.325	3.383.436.164
Tax payable	5b	173.022.439	130.162.814
Others creditor and accruals	7	1.415.636.080	8.464.892.237
Total current liabilities		3.641.470.844	11.978.491.215
Long term liabilities			
Unsecured loans	8	16.455.806.185	23.249.861.859
Total Liabilities		20.097.277.029	35.228.353.074
Equity / (Deficit)			
Share capital :	9		
Authorized capital : 4.000 shares with par value of Rp. 500.000 per share.			
Issued and paid up capital : 3.000 shares at Rp. 500.000 per share.		1.500.000.000	1.500.000.000
Accumulated loss		(11.488.152.825)	(10.453.012.663)
Total equity / (deficit)		(9.988.152.825)	(8.953.012.663)
Total liabilities and shareholders' equity		10.109.124.204	26.275.340.411

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

PT. Coal Indonesia and Subsidiaries
Consolidated Statements of Comprehensive Income

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	Notes	2016	2015
Revenues		-	-
Less :			
Coal purchased		-	-
Direct expenses		-	-
Gross profit / (loss)		-	-
Operating expenses			
General and administrative expenses	10	(9.555.335.903)	(8.241.725.476)
Operating profit		(9.555.335.903)	(8.241.725.476)
Other income / (expenses) - net	11	73.997.256	390.180.752
Loss on investment - written off	12	8.042.634.725	-
Profit / (Loss) before income tax		(1.438.703.922)	(7.851.544.724)
Corporate income tax	5c		
Current		-	-
Deferred		2.338.171.608	1.835.944.658
Net profit / (loss) before non controlling interest		899.467.686	(6.015.600.066)
Non controlling interest		-	-
Net profit / (loss) after non controlling interest		899.467.686	(6.015.600.066)
Other comprehensive income / (loss)		-	-
Total comprehensive income / (loss)		899.467.686	(6.015.600.066)

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

PT. Coal Indonesia and Subsidiaries
Consolidated Statements of Changes in Shareholders' Equity

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	Notes	2016	2015
Share Capital	9		
Beginning balance		1.500.000.000	1.500.000.000
Movement		-	-
Ending balance		1.500.000.000	1.500.000.000

Retained earnings / (deficit)

Beginning balance	(10.453.012.663)	(4.654.264.573)
Adjustment	(1.934.607.848)	216.851.976
Net comprehensive income / (loss) for the year	899.467.686	(6.015.600.066)
Ending balance	(11.488.152.825)	(10.453.012.663)

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

PT. Coal Indonesia and Subsidiaries
Consolidated Statements of Cash flows

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	Notes	2016	2015
Cash flows from operating activities			
Profit/(Loss) before income tax		(1.438.703.922)	(7.851.544.724)
Adjustments to reconcile profit before corporate income tax to net cash provided by operating activities:			
Depreciation of fixed assets		34.352.477	102.282.380
Loss on disposal of fixed assets		1.026.436.313	1.477.378
Unrealised foreign exchange gain / loss		(390.976.215)	447.726.999
Changes in working capital			
Trade receivable		732.500.000	(732.500.000)
Prepaid tax		4.506.819	189.320.292
Loans and advances		(3.170.705.273)	(580.682.844)
Other non current assets		2.266.926.980	491.338.020
Trade payable		(1.330.623.839)	(674.981.907)
Tax payable		42.859.625	(199.111.195)
Others creditor and accruals		(7.049.256.157)	1.606.798.008
Net cash used for operating activities		(9.272.683.192)	(7.199.877.593)
Cash flows from investing activities			
Additions of fixed assets		(8.250.000)	(2.325.000)
Deferred expenses		16.047.952.602	3.537.175.656
Disposal of Investments		-	241.269.194
Net cash used for investing activities		16.039.702.602	3.776.119.850
Cash flows from financing activities			
Proceeds from loans		(6.403.079.458)	(799.869.266)
Net cash from financing activities		(6.403.079.458)	(799.869.266)
Increase / (decrease) in cash and cash equivalents		363.939.952	(4.223.627.009)
Cash and cash equivalents - at the beginning of year		1.209.640.725	5.433.267.734
Cash and cash equivalents - at the end of year		1.573.580.677	1.209.640.725

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

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements

The Consolidated Financial Statements are prepared in Rupiah

1. General

PT. Coal Indonesia ("the Company") was established under the notary deed No. 10 of Rohana Frieta, S.H., public notary in Jakarta, dated 21 October 2008, and has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia in the letter No. : AHU-88602.AH.01.01.Tahun 2008.

The Company's Articles of Association has been amended several times and the latest changes was under the notarial deed no. 07 of Rohana Frieta S.H., public Notary in Jakarta, dated 23 September 2015, regarding the change of the composition of Board of Commissioner and Directors. The change in the Articles have been acknowledged by the Ministry of Justice and Human Rights of the Republic of Indonesia vide letter no. AHU-AH.01.03-0968722, dated 28 September 2015.

According to the Articles of Association, the Company's scope of activities, among others, are coal Trading - export/import, general contractor and others.

The Board of Commissioners and Directors are as follows:

	2016	2015
Board of Commissioners:		
President Commissioner	: Mr. Biswabhusan Parida	: Mr. Harsh Vardhan Mishra
Commissioners	: Mr. Sarabjeet Singh	: Mr. Vinay Prakash
Board of Directors:		
President Director	: Mr. Badri Prasad Rath	: Mr. Jayaraman Udaykumar
Director	-	: Jani Juvenil Ashwinkumar
Marketing Director	: Mr. Dhruvajyotidas	

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 consolidated financial statements.

a. Basis of financial statements preparation

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

The consolidated 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.

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

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

b. Principles of presentation of the consolidated financial statements

The consolidated financial statements include the financial statements of the Company and Subsidiaries, which is owned more than 50%, either directly or indirectly, by the Company. Subsidiaries have been consolidated since the Company gained effective control over Subsidiaries and will not be consolidated when such control no longer exists.

All inter company transactions and balances have been eliminated.

Minority interest in the equity and results that are controlled by the parent company are shown as a separate item in the consolidated financial statements.

The percentage of ownership in the subsidiaries as at balance date are as follows :

Subsidiaries	Nature of Business	Percentage of ownership	
		2016	2015
PT. Setara Jasa	Mining services and other.	-	75%
PT. Sumber Dana Usaha	Coal trading, general contractor, etc.	-	75%

During the year, the Shareholders of the companies agreed to liquidate PT. Setara Jasa and PT. Sumber Dana Usaha commencing 29 March 2016.

c. 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.

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.

d. 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".

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

2. Summary of significant accounting policies - continued

d. Financial Assets

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.

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.

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

2. Summary of significant accounting policies - continued

d. Financial Assets - continued

Impairment of financial assets - continued

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

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.

Derecognition of financial assets

The Company and its subsidiaries 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 and its subsidiaries neither transfer nor retain substantially all the risks and rewards of ownership and continue to control the transferred asset, the Company and its subsidiaries recognise their retained interest in the asset and an associated liability for amounts they may have to pay.

If the Company and its subsidiaries retain substantially all the risks and rewards of ownership of a transferred financial asset, the Company and its subsidiaries continue to recognise the financial asset and also recognise a collateralised borrowing for the proceeds received.

e. 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.

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

2. Summary of significant accounting policies - continued

e. Financial Liabilities and Equity Instruments - continued

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.

f. 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.

g. 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.

h. 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.

i. Fixed assets

Fixed assets are stated at cost less their accumulated depreciation.

Depreciation is computed using the straight-line method at rates considered adequate to cover the estimated useful life of the assets, as follows:

Mining equipment and transportation	5 - 10 years
Plant and machinery	10 years
Computer	4 years
Office equipment and furniture	4 years
Miscellaneous site equipment	4 years

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

2. Summary of significant accounting policies - continued

i. Fixed assets - continued

The cost of repairs and maintenance are charged to expense as incurred, and the significant renewals and betterment costs are capitalised. When assets are retired or otherwise disposed of, their carrying values and the related accumulated depreciation are removed from the accounts and any resulting gain or loss is credited or charged to the statement of profit and loss for the period.

j. Investment in shares

Long-term investment in shares of associated companies with less than 20 % ownership are stated at the lower of cost or net realisable value.

Long-term investment in shares of associated companies, where the Company holds an interest of 20 % to 50 % of the total issued and paid up share of the associated companies, and does not exercise management control, are recorded at the acquisition cost, adjusted every year with the Company's share of the net income or loss of the associated companies. Cash dividends are recorded as a deduction to the value of the investments.

k. Revenue and expenses recognition

In relation to the revenue from coal mining services and coal handling services, revenue is recognised when the services has been rendered and invoiced, and no significant uncertainties remain regarding the associated costs.

In relation to sale of coals, revenue is recognised when the significant risk and reward of ownership has been transferred to the buyer, and no significant uncertainties remain regarding the associated costs or the possible return of goods.

Expenses are recognised when incurred.

l. Corporate income tax

The income tax expense comprises current and deferred tax. Current tax expense is determined based on the taxable income for the year computed using the prevailing income tax rates.

Deferred income tax is recognised for the future tax consequences attributable to all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates that have been enacted or substantially enacted as at reporting date and is expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

l. Corporate income tax - continued

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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

PT. Coal Indonesia and Subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

	2016	2015
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3. Cash and cash equivalents

Cash	-	-
Bank	1.573.580.677	1.209.640.725
	1.573.580.677	1.209.640.725

4. Loans and advances

Staff advances	101.000.000	7.000.000
Prepaid expenses	3.481.327.379	421.353.257
Advances to customers	685.014.424	664.458.273
Value Added Tax on purchases	-	3.825.000
	4.267.341.803	1.096.636.530

5. Taxes

a. Prepaid taxes		
Prepaid Corporate income tax	176.255.652	180.762.471
b. Tax payables		
Withholding tax on salary	172.570.916	129.167.602
Withholding tax - others	451.523	995.212
	173.022.439	130.162.814

c. Corporate income tax

Holding Company

Profit / (Loss) before corporate income tax	(10.187.919.985)	(7.043.301.881)
Permanent differences	850.193.544	45.915.756
Timing differences	10.977.297	10.408.082
Total fiscal correction	861.170.841	56.323.838
Total taxable income / (loss) for the year	(9.326.749.144)	(6.986.978.043)
Less : Carried forward tax losses		
Opening balance	(6.986.978.043)	-
Adjustments	(14.068.493)	
	(7.001.046.536)	-
Estimated taxable income/(loss) - caried forward	(16.327.795.680)	(6.986.978.043)

PT. Coal Indonesia and Subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

	2016	2015
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5. Taxes - continued

c. Corporate income tax

Holding Company

Estimated taxable income/(loss) - caried forward	(16.327.795.680)	(6.986.978.043)
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Corporate income tax expense - current	-	-
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Subsidiaries :

Corporate income tax expense - current	-	-
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Consolidated - corporate income tax - current	-	-
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d. Deferred tax assets

	Balance 31 March 2015	Addition	Adjustment / Disposal	Balance 31 March 2016
Holding Company				
Depreciation of fixed assets	(6.053.052)	10.977.297	-	4.924.245
Carried forward tax losses	6.986.978.043	9.326.749.144	14.959.989	16.328.687.176
	6.980.924.991	9.337.726.441	14.959.989	16.333.611.421
Deferred tax asset at 25%	1.745.231.248	2.334.431.610	3.739.997	4.083.402.855
Subsidiaries :				
Deferred tax asset at 25%	1.934.607.848	-	(1.934.607.848)	-
	3.679.839.096	2.334.431.610	(1.930.867.851)	4.083.402.855

	Balance 31 March 2014	Addition	Adjustment / Disposal	Balance 31 March 2015
Holding Company				
Depreciation of fixed assets	(16.461.136)	10.408.084	-	(6.053.052)
Carried forward tax losses	-	6.986.978.043	-	6.986.978.043
	(16.461.136)	6.997.386.127	-	6.980.924.991
Deferred tax asset at 25%	(4.115.284)	1.749.346.532	-	1.745.231.248
Subsidiaries :				
Deferred tax asset at 25%	1.872.426.940	86.598.126	(24.417.218)	1.934.607.848
	1.868.311.656	1.835.944.658	(24.417.218)	3.679.839.096

PT. Coal Indonesia and Subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

6. Fixed assets - net

Balances and movement of fixed assets are as follows :

	Balance 31 March 2015	Addition	Disposal	Balance 31 March 2016
<u>At Cost</u>				
Land	631.706.122	-	(631.706.122)	-
Plant and machineries	851.028.400	-	(837.430.000)	13.598.400
Computer	38.895.000	8.250.000	-	47.145.000
Office Equipment Furniture	40.507.000	-	-	40.507.000
	1.562.136.522	8.250.000	(1.469.136.122)	101.250.400
<u>Accumulated depreciation</u>				
Plant and machineries	435.701.425	20.596.784	(442.699.809)	13.598.400
Computer	30.551.373	8.050.410	-	38.601.783
Office equipment furniture	34.801.717	5.705.283	-	40.507.000
	501.054.515	34.352.477	(442.699.809)	92.707.183
	1.061.082.007			8.543.217

	Balance 31 March 2014	Addition	Disposal	Balance 31 March 2015
<u>At Cost</u>				
Land	631.706.122	-	-	631.706.122
Plant and machineries	851.028.400	-	-	851.028.400
Computer	42.183.000	2.325.000	(5.613.000)	38.895.000
Office equipment Furniture	40.507.000	-	-	40.507.000
	1.565.424.522	2.325.000	(5.613.000)	1.562.136.522
<u>Accumulated depreciation</u>				
Plant and machineries	349.801.825	85.899.600	-	435.701.425
Computer	25.984.027	8.702.968	(4.135.622)	30.551.373
Office equipment furniture	27.121.905	7.679.812	-	34.801.717
	402.907.757	102.282.380	(4.135.622)	501.054.515
	1.162.516.765			1.061.082.007

PT. Coal Indonesia and Subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

	2016	2015
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7. Others creditor and accruals

Interest payable	-	6.536.525.099
Jamsostek payable	29.113.577	22.428.023
BPJS payable	(3.543.750)	-
Salary Payable	4.257.498	683.374
O/S expenses	-	22.469.580
Customer credit balance	1.385.808.755	1.882.786.161
	1.415.636.080	8.464.892.237

8. Unsecured loans

Adani Global Pte. Singapore.	16.455.806.185	3.271.000.000
PT. Adani Global	-	18.828.861.859
PT. Energy Resources	-	1.150.000.000
	16.455.806.185	23.249.861.859

Loans from Adani Global Pte. Singapore amounted to USD. 1,239,515.38 (2015, Usd. 250,000) and is no interest charged.

9. Share capital

Authorized shares capital

4.000 shares with par value of Rp. 500.000 each	2.000.000.000	2.000.000.000
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Issued and paid up capital

3.000 shares has been issued and fully paid, as follows :

Name of Shareholders	Ownership			
	No.-of shares	Percentage		
PT. Adani Global	2.980	99,33%	1.490.000.000	1.490.000.000
PT. Adani Global Coal Trading	20	0,67%	10.000.000	10.000.000
	3.000	100%	1.500.000.000	1.500.000.000

PT. Coal Indonesia and Subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

	2016	2015
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10. General and administrative expenses

Salaries an allowances	8.101.302.460	6.712.859.707
Travelling expenses	485.319.933	668.689.194
Legal and other professional fees	454.132.973	286.308.867
Office expenses	61.059.802	112.154.451
Depreciation of fixed assets	34.352.477	102.282.380
Others	419.168.258	359.430.877
	9.555.335.903	8.241.725.476

11. Other income / (expenses)

Gain / (loss) on foreign exchange	77.612.748	611.434.470
Interest income on bank current account	1.369.984	8.515.777
Interest expense on loan	-	(222.488.493)
Bank charges	(4.985.476)	(7.281.002)
	73.997.256	390.180.752

12. Loss on disposed of investments

Represents loss on investments in share capital of the subsidiary companies, which were liquidated during the year, as follows :		
PT. Setara Jasa	(382.500.000)	-
PT. Sumber Dana Usaha	(382.500.000)	-
	(765.000.000)	-
Less Cumulative loss on investments - written off	8.807.634.725	-
	8.042.634.725	-

13. Related party transactions and balances

Balances :			
Loan	Adani Global Pte. Singapore.	16.455.806.185	3.271.000.000
	PT. Adani Global	-	18.828.861.859
	PT. Energy Resources	-	1.150.000.000

PT. Coal Indonesia and Subsidiaries

Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in Rupiah

14. Going concern

The financial statements have been prepared on the going concern basis. As of 31 March 2016, the company had net capital deficiency of Rp. 9.988.152.825 (2015, Rp. 8.953.012.663), and is therefore dependent upon continuing external financial support in order for it to meet its obligations as and when they fall due. However, the board of Directors is in the opinion that the "Going concern basis" in the preparation of this financial statements can still be applied as the share holders committed to provide financial support to meet the company's obligations as and when they fall due.

Supplementary information
PT. Coal Indonesia - Holding Company
Statements of Financial Position

As of 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	Notes	2016	2015
Assets			
Current assets			
Cash and cash equivalents	1	1.573.580.677	733.940.678
Loans and advances	2	4.267.341.803	715.311.530
		5.840.922.480	1.449.252.208
Other non current assets			
Prepaid taxes	3 a	176.255.652	178.267.128
Investments	4	-	765.000.000
Fixed assets	5	8.543.217	16.875.885
Deferred tax assets	3 d	4.083.402.855	1.745.231.248
		4.268.201.724	2.705.374.261
Total assets		10.109.124.204	4.154.626.469
Liabilities and Shareholders' equity			
Current liabilities			
Trade payable		2.052.812.325	963.500.964
Tax payable	3 b	173.022.439	130.162.814
Others creditor and accruals	6	1.415.636.080	1.928.367.138
Total current liabilities		3.641.470.844	3.022.030.916
Longterm liabilities			
Unsecured loans	7	16.455.806.185	3.271.000.000
Total longterm liabilities		20.097.277.029	6.293.030.916
Total liabilities		20.097.277.029	6.293.030.916
Shareholders' equity			
Share capital :			
Authorized capital : 4.000 shares with par value of Rp 500.000 per share.			
Issued and paid up capital : 3.000 shares		1.500.000.000	1.500.000.000
Retained earnings / (deficit)		(11.488.152.825)	(3.638.404.447)
Total shareholders' equity / (deficit)		(9.988.152.825)	(2.138.404.447)
Total liabilities and shareholders' equity		10.109.124.204	4.154.626.469

Supplementary information
PT. Coal Indonesia - Holding Company
Statements of Comprehensive Income

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	Notes	2016	2015
Revenues		-	-
Less :			
Coal purchased		-	-
Direct expenses			
Gross profit / (loss)		-	-
Operating expenses			
General and administrative expenses	9	(9.497.366.094)	(7.666.794.037)
Operating profit		(9.497.366.094)	(7.666.794.037)
Other income / (expenses) - net	10	(690.553.891)	623.492.156
Profit / (Loss) before income tax		(10.187.919.985)	(7.043.301.881)
Corporate income tax - income / (expense) :			
Current		-	-
Deferred	3d	2.338.171.608	1.749.346.532
Net profit / (loss)		(7.849.748.377)	(5.293.955.349)
Other comprehensive income / (loss)		-	-
Total comprehensive profit / (loss)		(7.849.748.377)	(5.293.955.349)

Supplementary information
PT. Coal Indonesia - Holding Company
Statements of Changes in shareholders' equity

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	2016	2015
Share Capital		
Beginning balance	1.500.000.000	1.500.000.000
Movement	-	-
Ending balance	1.500.000.000	1.500.000.000
Retained earnings / (deficit)		
Beginning balance	(3.638.404.447)	1.655.550.902
Net comprehensive income / (loss) for the year	(7.849.748.378)	(5.293.955.349)
Ending balance	(11.488.152.825)	(3.638.404.447)

Supplementary information
PT. Coal Indonesia - Holding Company
Statements of Cash flows

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	2016	2015
Cash flows from operating activities		
Loss before income tax	(10.187.919.985)	(7.043.301.881)
Adjustments to reconcile profit before corporate income tax to net cash provided by operating activities:		
Depreciation of fixed assets	16.582.668	19.782.380
Loss on disposal of fixed assets		1.477.378
Changes in working capital		
Loans and advances	(3.552.030.273)	(580.607.844)
Prepaid taxes	2.011.476	189.320.292
Trade payable	1.089.311.361	(2.138.731.907)
Tax payable	42.859.625	(195.209.854)
Other creditors and accruals	(512.731.058)	1.875.289.705
Net cash used for operating activities	(13.101.916.186)	(7.871.981.731)
Cash flows from investing activities		
Investments	765.000.000	-
Purchase of fixed assets	(8.250.000)	(2.325.000)
Net cash used for/(from) investing activities	756.750.000	(2.325.000)
Cash flows from financing activities		
Proceeds from / (payment of) loans	13.184.806.185	3.271.000.000
Net cash from financing activities	13.184.806.185	3.271.000.000
Increase / (decrease) in cash and cash equivalents	839.639.999	(4.603.306.731)
Cash and cash equivalents - at the beginning of year	733.940.678	5.337.247.409
Cash and cash equivalents - at the end of year	1.573.580.677	733.940.678

Supplementary information**PT. Coal Indonesia - Holding Company****Details of significant accounts in the Statements of Financial Position**

As of 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	2016	2015
1. Cash and cash equivalents		
Cash	-	-
Bank	1.573.580.677	733.940.678
	1.573.580.677	733.940.678
2. Loan and advances		
Advances to customers	685.014.424	664.458.273
Prepaid expenses	3.481.327.379	43.853.257
Staff advances	101.000.000	7.000.000
	4.267.341.803	715.311.530
3. Taxes		
a. Prepaid taxes		
Prepaid Corporate income tax	176.255.652	178.267.128
b. Tax payables		
Withholding tax on salary	172.570.916	129.167.602
Withholding tax - others	451.523	995.212
	173.022.439	130.162.814
c. Corporate income tax		
Profit / (Loss) before corporate income tax	(10.187.919.985)	(7.043.301.881)
Permanent differences	850.193.544	45.915.756
Timing differences	10.977.297	10.408.082
Total fiscal correction	861.170.841	56.323.838
	(9.326.749.144)	(6.986.978.043)
Carried forward tax losses	(6.986.978.043)	-
Adjustments	(14.068.493)	-
Estimated taxable income/(loss)	(16.327.795.680)	(6.986.978.043)
Corporate income tax expense - current	-	-

Supplementary information**PT. Coal Indonesia - Holding Company****Details of significant accounts in the Statements of Financial Position - continued**

As of 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	2016	2015
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3. Taxes - continued**d. Deferred tax assets**

	Balance 31 March 2015	Addition	Adjustment / Disposal	Balance 31 March 2016
Depreciation of fixed assets	(6.053.052)	10.977.297	-	4.924.245
Carried forward tax losses	6.986.978.043	9.327.640.640	14.068.493	16.328.687.176
	6.980.924.991	9.338.617.937	14.068.493	16.333.611.421
Deferred tax asset - at 25%	1.745.231.248	2.334.654.484	-	4.083.402.855

	Balance 31 March 2014	Addition	Disposal	Balance 31 March 2015
Depreciation of fixed assets	(16.461.136)	10.408.084	-	(6.053.052)
Carried forward tax losses	-	6.986.978.043	-	6.986.978.043
	(16.461.136)	6.997.386.127	-	6.980.924.991
Deferred tax asset - at 25%	(4.115.284)	1.749.346.531	-	1.745.231.248

4. Investments

PT. Setara Jasa	-	382.500.000
PT. Sumber Dana Usaha	-	382.500.000
	-	765.000.000

Investments in subsidiaries company are stated at cost, to comply with the new financial accounting standards which applied effectively from 1 January 2011. During 2016, The shareholders of the companies agreed to liquidate the companies commencing 29 March 2016.

Supplementary information

PT. Coal Indonesia - Holding Company

Details of significant accounts in the Statements of Financial Position - *continued*

As of 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	2016	2015		
5. Fixed assets				
Balances and movement of fixed assets are as follows :				
	Balance 31 March 2015	Addition	Disposal	Balance 31 March 2016
<u>At Cost</u>				
Computer	38.895.000	8.250.000		47.145.000
Office equipment furniture	40.507.000	-	-	40.507.000
Misc. site equipments	13.598.400	-	-	13.598.400
	93.000.400	8.250.000	-	101.250.400
<u>Accumulated Depreciation</u>				
Computer	30.551.373	8.050.410		38.601.783
Office equipment furniture	34.801.717	5.705.283	-	40.507.000
Misc. site equipments	10.771.425	2.826.975	-	13.598.400
	76.124.515	16.582.668	-	92.707.183
	16.875.885			8.543.217
	Balance 31 March 2014	Addition	Disposal	Balance 31 March 2015
<u>At Cost</u>				
Computer	42.183.000	2.325.000	(5.613.000)	38.895.000
Office equipment furniture	40.507.000	-	-	40.507.000
Misc. site equipments	13.598.400	-	-	13.598.400
	96.288.400	2.325.000	(5.613.000)	93.000.400
<u>Accumulated Depreciation</u>				
Computer	25.984.027	8.702.968	(4.135.622)	30.551.373
Office equipment furniture	27.121.905	7.679.812	-	34.801.717
Misc. site equipments	7.371.825	3.399.600	-	10.771.425
	60.477.757	19.782.380	(4.135.622)	76.124.515
	35.810.643			16.875.885

Supplementary information**PT. Coal Indonesia - Holding Company****Details of significant accounts in the Statements of Financial Position - continued**

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

6. Other creditors and accruals

	2016	2015
Jamsostek payable	29.113.577	22.428.023
Accrued expenses	4.257.498	23.152.954
Other creditors	1.382.265.005	1.882.786.161
	1.415.636.080	1.928.367.138

7. Unsecured loans

	2016	2015
Adani Global Pte. Singapore.	16.455.806.185	3.271.000.000

Loans from Adani Global Pte. Singapore amounted to USD. 1,239,515.38 (2015, Usd. 250,000) and is no interest charged.

Supplementary information**PT. Coal Indonesia - Holding Company****Details of significant accounts in the Statements of Comprehensive Income**

For the years ended 31 March 2016 and 2015

The Financial Statements are prepared in Rupiah

	2016	2015
8. General and administrative expenses		
Salaries and allowances	8.101.302.460	6.712.859.707
Travelling expenses	485.319.933	668.689.194
Legal and professional fees	413.932.973	160.440.500
Office expenses	61.059.802	112.154.451
Depreciation of fixed assets	16.582.668	19.782.380
Others	419.168.258	(7.132.195)
	9.497.366.094	7.666.794.037
9. Other income / (expense)		
Foreign exchange gain/loss	77.612.748	625.116.254
Bank charges	(3.964.141)	(4.100.651)
Interest from bank	797.502	2.476.553
Disposal of investments	(765.000.000)	-
	(690.553.891)	623.492.156