

Financial Statements of

**PT. Gemilang Pusaka Pertiwi**

For the years ended 31 March 2018 and 2017

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 YEAR ENDED 31 MARCH 2018 AND 2017  
**PT. GEMILANG PUSAKA PERTIWI**

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We, the undersigned :

Name	:	Mr. Dani Daksinaputra
Office address	:	Graha Mustika Ratu Lantai 5 Jl. Jend Gatot Subroto Kav. 74-75
Domicile address based on ID Card	:	Jl. Destarata 7, No. 10; RT./RW. 001/016; Kel. Tegal Gundil; Kec. Bogor Utara; Bogor. 16152
Phone number	:	021- 8307406 / Fax 8307407 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, 28 April 2018



**Mr. Dani Daksinaputra**  
Director



# Armen, Budiman & Rekan

Registered Public Accountants

Gedung Sandipura, Lt. dasar  
Jl. K.H. Abdullah Syafe'i No. 19  
Bukit Duri - Tebet  
Jakarta 12840

Mail : PO Box 4071/JKTJ 13040  
Tel. : (021) 21282441 - 42  
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E-mail : [auditaa@cbn.net.id](mailto:auditaa@cbn.net.id)

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

No.: R. 012/BAR-A/2018

## 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 2018, 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 2018 and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Jakarta, 28 April 2018



**Drs. Budiman A. Rozik, CPA**

License No.: AP.0448

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

As of 31 March 2018 and 2017

*The Financial Statements are prepared in Rupiah*

	Notes	31/03/2018	31/03/2017
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	43.146.340	42.413.140
<b>Total current assets</b>		<b>43.146.340</b>	<b>42.413.140</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	14.375.505	18.683.804
		1.841.107.444	1.845.415.743
<b>Total assets</b>		<b>1.884.253.784</b>	<b>1.887.828.883</b>
<b>Liabilities and Shareholders' equity</b>			
<b>Current liabilities</b>			
Other creditors and accruals	7	252.332.476	268.832.476
<b>Total current liabilities</b>		<b>252.332.476</b>	<b>268.832.476</b>
<b>Long term liabilities</b>			
Unsecured loans	8	1.635.000.000	1.635.000.000
<b>Total liabilities</b>		<b>1.887.332.476</b>	<b>1.903.832.476</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		(513.078.692)	(526.003.593)
<b>Total shareholders' equity</b>		<b>(3.078.692)</b>	<b>(16.003.593)</b>
<b>Total liabilities and shareholders' equity</b>		<b>1.884.253.784</b>	<b>1.887.828.883</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 2018 and 2017

*The Financial Statements are prepared in Rupiah*

	Note	31/03/2018	31/03/2017
Revenues		-	-
Direct expenses		-	-
Gross profit / (loss)		-	-
Operating expenses			
General and administrative expenses	10	-	(1.100.000)
Operating profit / (loss)		-	(1.100.000)
Other income / (expenses) - net	11	17.233.200	(403.200)
Profit / (loss) before income tax		17.233.200	(1.503.200)
Corporate income tax - income / (expense)	6b		
Current		-	-
Deferred		(4.308.299)	(47.257.466)
Net income / (loss)		12.924.901	(48.760.666)
Other comprehensive income		-	-
Total comprehensive income / (loss)		12.924.901	(48.760.666)

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 2018 and 2017

*The Financial Statements are prepared in Rupiah*

	Note	31/03/2018	31/03/2017
<b>Share Capital</b>	9		
Beginning balance		510.000.000	510.000.000
Movements		-	-
Ending balance		510.000.000	510.000.000
<b>Accumulated loss</b>			
Beginning balance		(526.003.593)	(477.242.927)
Comprehensive income / (loss) for the year		12.924.901	(48.760.666)
Ending balance		(513.078.692)	(526.003.593)
<b>Total Shareholders' equity</b>		<b>(3.078.692)</b>	<b>(16.003.593)</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 2018 and 2017

*The Financial Statements are prepared in Rupiah*

	Note	31/03/2018	31/03/2017
<b>Cash flows from operating activities</b>			
Loss before income tax		17.233.200	(1.503.200)
Changes in working capital			
Other creditors and accruals		(16.500.000)	1.100.000
Net cash used for operating activities		733.200	(403.200)
<b>Cash flows from financing activities</b>			
Proceeds from loans		-	-
Net cash from financing activities		-	-
Decrease in cash and cash equivalents		733.200	(403.200)
Cash and cash equivalents - at the beginning of year		42.413.140	42.816.340
Cash and cash equivalents - at the end of year		43.146.340	42.413.140

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:

	31/03/2018	31/03/2017
<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.

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

**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 - continue**

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

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

	31/03/2018	31/03/2017
USD. 1	13.756	13.322

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

**c. Financial Assets**

Classification of financial assets depends on the purpose for which the financial assets were acquired, which is determined at initial recognition. Financial assets of the Group mainly comprised cash and cash equivalents, trade debtors and other debtors which represent non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Accordingly, such financial assets have been classified as loans and receivables.

Loans and receivables are classified as current assets, except if the maturities are greater than 12 months after the end of the reporting period.

Loans and receivables are carried at amortised cost using the effective interest method.

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the assets (a "loss event") and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

**d. Financial Liabilities and Equity Instruments**

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.

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.

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.

# **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**

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

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

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.

#### **e. 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.

#### **f. 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. The definition of related parties used is in accordance with SFAS 7, "Related Parties".

All material transactions with related parties are disclosed in the notes to these consolidated financial statements.

#### **g. 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.

#### **h. 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.

**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**

**h. Deferred expenses - continued**

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.

**i. Corporate income tax**

The income tax expense comprises current and deferred tax. Tax is recognised in the consolidated profit or loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income. In this case, the tax is also recognised directly in equity or in other comprehensive income, respectively.

The current income tax is calculated using tax rates that have been enacted at the financial position date.

Deferred income tax is recognised for 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 are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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 charged 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.

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.

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

**3. Cash and cash equivalents**

	31/03/2018	31/03/2017
Cash - USD. 2,800.	38.516.800	37.301.600
Bank	4.629.540	5.111.540
	43.146.340	42.413.140

# PT. Gemilang Pusaka Pertiwi

## Notes to the Financial Statements - continued

The Financial Statements are prepared in Rupiah

	31/03/2018	31/03/2017
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### 4. Fixed assets

Balances and movement of fixed assets are as follows :

	Opening Balance	Addition	Adjustment	Closing Balance
<b>Land - at costs</b>				
<b>2018</b>	822.620.632	-	-	822.620.632
<b>2017</b>	822.620.632	-	-	822.620.632

### 5. Deferred expenses

	Opening Balance	Addition	Adjustment	Closing Balance
<b>South Sumatera - at costs</b>				
<b>2018</b>	1.004.111.307	-	-	1.004.111.307
<b>2017</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

	31/03/2018	31/03/2017
<b>a. Corporate income tax</b>		
Profit / (Losses) before corporate income tax	17.233.200	(1.503.200)
Permanent differences	-	-
Timing differences	-	-
Total fiscal correction	-	-
	17.233.200	(1.503.200)
Less : Carried forward tax losses	(74.735.220)	(263.765.083)
Adjustments - carried forward tax losses	46.832.620	190.533.063
Estimated taxable income / (Losses)	(10.669.400)	(74.735.220)
Corporate income tax expense :		
Current year	-	-
Deferred tax (expense) / income	(4.308.299)	(47.257.466)
	(4.308.299)	(47.257.466)

**PT. Gemilang Pusaka Pertiwi**  
**Notes to the Financial Statements - continued**

*The Financial Statements are prepared in Rupiah*

**6. Taxes - continued**

**b. Deferred tax assets**

	Balance 31/03/2017	Addition	Adjustment	Balance 31/03/2018
Timing difference:				
Deferred expense	-	-	-	-
Less : Carried forward				
Tax losses	74.735.220	(17.233.200)	-	57.502.020
	74.735.220	(17.233.200)	-	57.502.020
Deferred tax assets/(liabilities)				
- at 25 %	18.683.804	(4.308.299)	-	14.375.505

	Balance 31/03/2016	Addition	Adjustment	Balance 31/03/2017
Timing difference:				
Deferred expense	-	-	-	-
Less : Carried forward				
Tax losses	263.765.083	1.503.200	(190.533.063)	74.735.220
	263.765.083	1.503.200	(190.533.063)	74.735.220
Deferred tax assets/(liabilities)				
- at 25 %	65.941.270	375.800	(47.633.266)	18.683.804

**7. Other creditors and accruals**

	31/03/2018	31/03/2017
Interest payable	235.332.476	235.332.476
Legal and professional fees	-	16.500.000
Other creditor	17.000.000	17.000.000
	252.332.476	268.832.476

**8. Unsecured loans**

	31/03/2018	31/03/2017
PT. Niaga Antar Bangsa	1.635.000.000	1.635.000.000
	1.635.000.000	1.635.000.000

There is no interest was charged on the loan.

**PT. Gemilang Pusaka Pertiwi**  
**Notes to the Financial Statements - continued**

*The Financial Statements are prepared in Rupiah*

	31/03/2018	31/03/2017
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**9. Shares capital**

**Authorized shares capital**

4.000 shares with par value of Rp. 500.000 each 2.000.000.000 2.000.000.000

**Issued and paid up capital**

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

Name of Shareholders	Ownership		31/03/2018	31/03/2017
	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
	1.020	100%	510.000.000	510.000.000

**10. General and administrative expenses**

Legal and professional fees	-	1.100.000
	-	1.100.000

**11. Other income / (expenses)**

Gain / (loss) on foreign exchange	1.215.200	128.800
Bank charges	(482.000)	(532.000)
Others	16.500.000	-
	17.233.200	(403.200)

**12. Related party transactions and balances**

**Balances :**

Unsecured loan	PT. Niaga Antar Bangsa	1.635.000.000	1.635.000.000
Interest payable	PT. Adani Global	235.332.476	235.332.476