

Consolidated Financial Statements of

PT Adani Global and subsidiaries

For the years ended 31 March 2019 and 2018

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 2019 AND 2018
PT ADANI GLOBAL AND SUBSIDIARY

We, the undersigned :

1. Name	:	Mr. Jayaraman Udaykumar
Office address	:	Graha Mustika Ratu 3rd floor, Jalan Jendral Gatot Subroto Kav.74-75, Jakarta Selatan
Domicile address	:	Taman Kemayoran Kondominium, Menara Eboni Lt.11/03
based on ID Card	:	Jl. Haji Benyamin Sueb, Kelurahan Kebon Kosong, Kecamatan Kemayoran, Jakarta
Phone number	:	(021) 8307406
Function	:	President Director

declare that :

1. We are responsible for the preparation and presentation of PT. Adani Global and Subsidiary's financial statements;
2. PT. Adani Global and Subsidiary's financial statements have been prepared and presented in accordance with accounting principles generally accepted in Indonesia;
3. a. All information in the PT. Adani Global and Subsidiary's Financial Statements have been disclosed in a complete and truthful manner;
b. PT. Adani Global and Subsidiary'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. Adani Global and Subsidiary's internal control systems.

Thus this statement is made truthfully.

For and on behalf of the Board of Directors

Jakarta, 02 Mei 2019



Mr. Jayaraman Udaykumar
President Director



Armen, Budiman & Rekan

Registered Public Accountants

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

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

No.: R. 00018/2.0735/AU.1/05/0481-2/1/V/2019

Independent Auditors' Report

The Shareholders and The Board of Directors,
PT. Adani Global and its Subsidiaries

We have audited the accompanying consolidated financial statements of **PT. Adani Global and its subsidiaries** ("The Company"), which comprise the statement of financial position as of 31 March 2019, 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. Adani Global and its subsidiaries as of 31 March 2019, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Jakarta, 2 May 2019

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

PT Adani Global and subsidiaries

Consolidated Statements of Financial Position

As of 31 March 2019 and 2018

The Financial Statements are prepared in million of Rupiah

	Notes	2019	2018
Assets			
Current assets			
Cash and cash equivalents	3	13.070,40	28.161,48
Trade receivables		4.613,77	24.383,41
Inventories	4	63.161,60	105.830,12
Short term loans and advances	5	239.833,68	305.639,82
Total current assets		320.679,45	464.014,83
Non current assets			
Capital advances	6	-	16.734,20
Prepaid taxes	7a	54.662,89	36.137,04
Fixed assets - net	8	122.363,36	161.791,49
Investments	9	300,00	300,00
Deferred charges	10	89.560,04	130.748,60
Deferred tax asset	7d	49.730,77	56.836,00
Other non current assets	11	30.433,19	30.420,46
Total non current assets		347.050,25	432.967,79
Total assets		667.729,70	896.982,62
Liabilities and shareholders' equity			
Liabilities			
Current liabilities			
Trade payables		202.872,23	136.316,86
Taxes payable	7b	15.942,97	11.742,92
Other current liabilities	12	204.777,55	451.297,33
Total current liabilities		423.592,75	599.357,11
Non Current liabilities			
Loans	13	165.009,84	216.151,12
Provision for employee benefit	14	33.494,10	29.639,70
		198.503,94	245.790,82
Total liabilities		622.096,69	845.147,93
Non controlling interest	15	1.232,36	1.273,91
Shareholders' equity			
Share capital :	16		
Authorized capital : 30.000 shares of Serie A with par value of Rp 925.800 (US\$ 100) per share and 220.000 shares of serie B with par value of Rp 910.000 (US\$ 100) per share.			
Issued and paid up capital : 30.000 shares of Serie A and 220.000 shares of Serie B		227.974,00	227.974,00
Additional paid in capital	17	3.574,85	3.574,85
Accumulated loss		(187.148,20)	(180.988,07)
Total shareholders' equity		44.400,65	50.560,78
Total liabilities and shareholders' equity		667.729,70	896.982,62

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

PT Adani Global and subsidiaries
Consolidated Statements of Comprehensive income

For the years ended 31 March 2019 and 2018

The Financial Statements are prepared in million of Rupiah

	Notes	2019	2018
Sales		1.428.674,84	1.061.622,50
Cost of goods sold	18 , 19	1.215.992,34	784.113,39
Gross profit / (loss)		212.682,50	277.509,11
Operating expenses			
General and administrative expenses	20	(194.387,20)	(133.760,88)
Operating profit / (loss)		18.295,30	143.748,23
Other income / (expenses) - net	21	(8.757,57)	(22.897,72)
Profit / (loss) before income tax		9.537,73	120.850,51
Corporate income tax			
Current	7c	(8.546,22)	(6.486,60)
Deferred tax - net		(7.127,22)	(38.896,25)
		(15.673,44)	(45.382,85)
Net Profit / (loss) for the year		(6.135,72)	75.467,66
Other comprehensive income			
Actuarial profit / (loss)		(87,95)	(5.912,94)
Related deferred Income Tax		21,99	1.478,23
		(65,96)	(4.434,71)
Total comprehensive income		(6.201,68)	71.032,95
Net profit attributable to :			
Owners to the parent		(6.094,61)	74.962,02
Non controlling interest		(41,11)	505,63
		(6.135,72)	75.467,65
Total comprehensive income attributable to :			
Owners to the parent		(6.160,13)	70.557,03
Non controlling interest		(41,55)	475,92
		(6.201,68)	71.032,95

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

PT Adani Global and subsidiaries
Consolidated Statements of Changes in shareholders' equity

For the years ended 31 March 2019 and 2018

The Financial Statements are prepared in million of Rupiah

	Notes	2019	2018
Share capital:	16		
Beginning balance		227.974,00	227.974,00
Movement		-	-
Ending balance		227.974,00	227.974,00
Additional paid in capital:	17		
Beginning balance		3.574,85	3.574,85
Movement		-	-
Ending balance		3.574,85	3.574,85
Accumulated loss			
Beginning balance		(180.988,07)	(251.545,10)
Net comprehensive income / (loss)		(6.160,13)	70.557,03
Ending balance		(187.148,20)	(180.988,07)
Total shareholders' equity		44.400,65	50.560,78

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

PT Adani Global and subsidiaries
Consolidated Statements of Cash flows

For the years ended 31 March 2019 and 2018

The Financial Statements are prepared in million of Rupiah

	Notes	2019	2018
Cash flows from operating activities			
Profit / (loss) before income tax		9.449,76	114.937,56
Adjustments to reconcile profit before corporate income tax to net cash provided by operating activities:			
Depreciation of fixed assets		40.042,01	43.122,00
Gain on disposal of fixed assets		-	4.391,50
Amortisation of deferred expenses		42.489,02	24.277,69
Provision for employee benefit		3.854,40	5.639,88
Unrealised foreign exchange		18.828,05	20.018,25
Interest income		(1.379,94)	(1.247,69)
Operating profit before working capital changes		113.283,30	211.139,19
(Increase) / decrease in :			
Trade receivables - net		19.769,64	(18.618,11)
Inventories		42.668,53	(49.938,30)
Prepaid taxes		(18.525,85)	(17.708,54)
Short term loans and advances		65.806,14	(6.688,08)
Loans and advances		16.734,20	288,20
Other non current assets		(12,73)	(2.330,82)
Increase / (decrease) in:			
Trade payables		66.555,37	52.177,41
Taxes payable		(4.346,17)	(7.677,60)
Other current liabilities		(246.519,78)	(163.592,05)
Net cash from (used for) operating activities		55.412,65	(2.948,70)
Cash flows from investing activities			
Deferred charges		(1.300)	-
Purchase of fixed assets		(613,89)	9.758,52
Interest income received		1.379,94	1.247,69
Net cash used for investing activities		(534,40)	11.006,21
Cash flows from financing activities			
Proceeds from loans		(69.969,33)	(8.768,07)
Net cash from financing activities		(69.969,33)	(8.768,07)
Increase / (decrease) in cash and cash equivalents		(15.091,08)	(710,56)
Cash and cash equivalents - at the beginning of year		28.161,48	28.872,04
Cash and cash equivalents - at the end of year		13.070,40	28.161,48

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

PT Adani Global and subsidiaries

Notes to the Consolidated Financial Statements

The Consolidated Financial Statements are prepared in Rupiah

1. General

PT. Adani Global ("the Company") was established under Foreign Investment Law No.1, 1967, as amended by Law No. 11, 1970 and by virtue of the notary deed No. 5 of Darmawan Tjoa S.H., public notary in Jakarta dated 3 January 2006. The Article of Association has been approved by the Ministry of Justice and Human Rights of Republic of Indonesia by decision letter No. C-03479.HT.01.01.Th.2006 dated 8 February 2006.

The Company's Articles of Association have been amended from time to time. The last amendment was issued by Notarial Deed No. 14 dated 29 March 2016 of Rohana Frieta, regarding the change in the composition of the Board 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.01.03-0043457, dated 26 April 2016.

According to the Company's Articles of Association, its scope of activities comprise export and import trade and general mine supporting service .

The Company's office is domiciled in Jakarta, Palembang, Palangkaraya, Tanjung Selor, Tarakan and Pulau Bunyu in Indonesia.

The number of employees as of 31 March 2019 was 558 persons (31 March 2018 was 607 persons).

The Board of Commissioners and Directors are as follows:

Board of Commissioners:

Commissioner	:	Mr. Harsh Vardhan Mishra
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Board of Directors:

President Director	:	Mr. Jayaraman Uday Kumar
Technical Director	:	Mr. Raman Prabhakar
Finance Director	:	Mr. Taparia Siddharth Shyam su

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 reporting currency used in the financial statements is Rupiah which is the Group's functional currency. Figures in the consolidated financial statements are rounded to and presented in millions of Rupiah, unless otherwise stated.

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 Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of 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 business	Percentage of ownership	
		2019	2018
PT. Coal Indonesia	Coal trading-export/import, etc.	99,33%	99,33%
PT. Energy Resources	Services, export and import trading	99,33%	99,33%
PT. Sumber Bara	Services, export and import trading	99,33%	99,33%

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:

	2019	2018
USD. 1	14.244	13.756

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

d. 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.

The Financial Statements are prepared in million of Rupiah

2. Summary of significant accounting policies - continued

d. Financial assets - continued

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.

e. 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.

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.

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 and bank overdraft, which are not pledged as collateral nor restricted to be used.

g. Trade receivables

Trade receivables are stated at original invoice amount less an allowance for doubtful debt. An allowance for doubtful debt is provided based on review of the status of the individual account receivable at year end.

The Financial Statements are prepared in million of Rupiah

2. Summary of significant accounting policies - continued

h. Inventories

Inventories are carried at the cost or net realisable value, whichever is lower.

For the civil work consumable, cost is based on the First-in-First-Out method, whilst for the solar and spares inventory, cost is based on the weighted averaged method, and includes expenditure incurred in acquiring the inventories and bringing them to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and expense necessary to make the sales.

i. Fixed assets

Fixed assets are stated at cost less their accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the fixed assets.

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

Plant and machinery	4 - 10 years
Computer	4 years
Office equipment and furniture	4 years
Motor vehicles	5 years

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.

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.

j. Investments

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 investments 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. Deferred expenses

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

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

The Financial Statements are prepared in million of Rupiah

2. Summary of significant accounting policies - continued.

k. Deferred expenses - continued.

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.

l. 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.

m. 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.

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

The Financial Statements are prepared in million of Rupiah

2. Summary of significant accounting policies - continued.

m. Corporate income tax - continued

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

n. 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.

Expenses are recognised when incurred on the accrual basis.

o. Provision for employee retirement benefit

The Company has provided an un-funded employee benefit plan. The cost of providing benefit is determined in accordance with the Law of Manpower No. 13/2003. The provisions are recognised when the company has present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefit will be required to settle obligation and a reliable estimate can be made of the amount of the obligation.

The provisions are calculated based on Projected Unit Credit Method.

	2019	2018
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3. Cash and cash equivalents

Cash	39,89	38,52
Bank	13.030,51	28.122,96
	13.070,40	28.161,48

4. Inventories - continued.

Coal	44.647,09	89.213,14
Stores and consumables	18.514,51	16.616,98
	63.161,60	105.830,12

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
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4. Inventories - continued

	(in MT)	
ROM Production	4.926.187	4.001.806

Over burden removed were a follows:

	(in BCM)	
Over burden removed	12.119.668	10.109.396

As of 31 March 2019 and 2018, crushed coal inventory and other stores and spares inventory is covered by insurance.

5. Short term loans and advances

Prepaid expenses	155,90	194,73
Advances to supplier	11.972,10	36.277,97
Deposits - rental and others	2.065,03	561,16
Insurances receivables	-	305,94
Staff advances	910,29	1.183,87
Loan to group company	224.730,36	267.116,15
	239.833,68	305.639,82

6. Capital Advances

Capital advances	-	16.734,20
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7. Taxes

a. Prepaid taxes

Corporate income tax	54.662,89	36.137,04
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PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
7. Taxes - continued		
b. Taxes payable		
Value Added tax - payable	3.024,35	1.630,26
Value Added tax - prepayment	(193,14)	-
	2.831,21	1.630,26
Income tax article 21	3.190,75	2.532,07
Income tax article 23	1.405,79	1.026,85
Income tax article 26	-	51,56
Income tax article 4/2	0,92	31,82
Income tax article 15	37,65	78,65
	7.466,32	5.351,21
Corporate income tax	8.476,65	6.391,71
	15.942,97	11.742,92
c. Corporate income tax - current :		
Holding Company		
Profit/(Losses) before corporate income tax - consolidated	9.449,76	114.937,56
Profit/(Losses) before corporate income tax - Subsidiary compa	15.151,49	135.795,64
Profit / (Losses) before corporate income tax- Holding company	(5.701,73)	(20.858,08)
Add / (Less) :		
Permanent difference	404,60	822,03
Timing difference	3.349,79	5.861,89
Taxable income / (losses)	(1.947,33)	(14.174,16)
Income tax thereon	-	-
Subsidiaries :		
current year	8.546,22	6.486,60
Total	8.546,22	6.486,60

Under the taxation laws in Indonesia, the Company submits tax returns on the basis of self-assessment. The tax authorities may assess or amend taxes within 5 years of the taxes becoming payable.

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
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7. Taxes - continued

d. Deferred tax assets / (liabilities)

Represents the income tax for temporary differences in calculating the company's income tax, detailed as follows :

	Balance 2018	Additions	Adjustments	Balance 2019
Holding				
Timing difference:				
Depreciation of fixed assets	5.387,84	3.012,40	-	8.400,24
Amortisation of deferred exp.	0,00	0,00	-	0,00
Provision for employee benefits	2.634,23	337,40	-	2.971,62
	8.022,07	3.349,80	-	11.371,86
Less : Carried forward tax losses	78.639,72	1.947,33	(3.524,93)	77.062,12
	86.661,79	5.297,13	(3.524,93)	88.433,98
Deferred tax assets / (liabilities) at 25%	21.665,45	1.324,28	(881,23)	22.108,50
Subsidiaries				
Deferred tax Assets / (Liabilities)	35.170,55	-	(7.548,28)	27.622,27
	56.836,00	1.324,28	(8.429,51)	49.730,77
	Balance 2017	Additions	Adjustments	Balance 2018
Holding				
Timing difference:				
Depreciation of fixed assets	2.780,95	2.606,89	-	5.387,84
Amortisation of deferred exp.	(1.631,52)	-	1.631,52	-
Provision for employee benefits	1.907,71	726,51	-	2.634,22
	3.057,14	3.333,40	1.632	8.022,06
Less : Carried forward tax losses	67.939,73	14.174,16	(3.474,16)	78.639,73
	70.996,87	17.507,56	(1.842,64)	86.661,79
Deferred tax assets / (liabilities) at 25%	17.749,22	4.376,89	(460,66)	21.665,45
Subsidiaries				
Deferred tax Assets / (Liabilities)	76.504,79	-	(41.334,24)	35.170,55
	94.254,01	4.376,89	(41.794,90)	56.836,00

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

8. Fixed assets

Balances and movement of fixed assets are as follows :

	Balance 2018	Additions	Disposals/ Adjustments	Balance 2019
<u>At Cost</u>				
Land	1.454,33	-	-	1.454,33
Marine Structure	40.050,65	-	-	40.050,65
Building and structures	54.581,31	-	-	54.581,31
Plant and machineries	297.814,32	464,61	-	298.278,93
Mining Equipment	273.347,71	-	-	273.347,71
Transportation / Motor vehicles	8.448,57	-	-	8.448,57
Electrical installation	41,37	-	-	41,37
Computers	3.541,53	212,30	-	3.753,83
Office equipment and fixture	15.061,56	3,30	-	15.064,86
	694.341,35	680,21	-	695.021,56
Construction in progress	174,62	108,30	(174,62)	108,30
Total acquisition costs	694.515,97	788,51	(174,62)	695.129,86
<u>Accumulated Depreciation</u>				
Marine Structure	18.618,15	2.002,53	-	20.620,68
Building and structures	33.101,78	1.997,96	-	35.099,74
Plant and machineries	197.345,54	28.983,84	-	226.329,38
Mining Equipment	257.854,30	6.085,91	-	263.940,21
Transportation / Motor vehicles	8.448,57	-	-	8.448,57
Electrical installation	41,37	-	-	41,37
Computers	3.395,37	100,63	-	3.496,00
Office equipment and fixture	13.919,40	871,14	-	14.790,55
	532.724,48	40.042,01	-	572.766,50
Net Book Value	161.791,49			122.363,36

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

8. Fixed assets - continued

	Balance 2017	Additions	Disposals/ Adjustments	Balance 2018
<u>At Cost</u>				
Land	1.454,33	-	-	1.454,33
Marine Structure	43.893,47	-	(3.842,82)	40.050,65
Building and structures	60.879,25	-	(6.297,94)	54.581,31
Plant and machineries	296.619,87	1.194,46	-	297.814,32
Mining Equipment	290.390,44	-	(17.042,72)	273.347,71
Transportation / Motor vehicles	9.844,76	-	(1.396,19)	8.448,57
Electrical installation	41,37	-	-	41,37
Computers	3.448,67	92,86	-	3.541,53
Office equipment and fixture	14.946,65	217,25	(102,34)	15.061,56
	721.518,81	1.504,57	(28.682,01)	694.341,35
Construction in progress - Bunyu	9.582,05	157,19	(9.564,62)	174,62
Total acquisition costs	731.100,86	1.661,76	(38.246,63)	694.515,97
<u>Accumulated Depreciation</u>				
Marine Structure	18.024,66	2.178,35	(1.584,85)	18.618,15
Building and structures	33.124,41	2.286,11	(2.308,74)	33.101,78
Plant and machineries	168.707,03	28.638,51	-	197.345,54
Mining Equipment	267.162,24	7.734,79	(17.042,72)	257.854,30
Transportation	9.680,08	164,68	(1.396,19)	8.448,57
Electrical installation	41,37	-	-	41,37
Computers	3.309,34	86,03	-	3.395,37
Office equipment and fixture	11.988,22	2.033,52	(102,34)	13.919,40
	512.037,35	43.121,99	(22.434,84)	532.724,48
Net Book Value	219.063,51			161.791,49

9. Investments

	Ownership Holding		2019	2018
	No. of Shares	Percentage	Rp.	Rp.
PT. Pinta Karya Makmur	9.898	49%	4.949,00	4.949,00
PT. Coalindo Energy	300.000	5%	300,00	300,00
			5.249,00	5.249,00
Profit / (loss) on investment			(4.949,00)	(4.949,00)
			300,00	300,00

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

10. Deferred charges

	Balance 2018	Additions	Disposals/ Adjustments	Balance 2019
Costs				
Deferred exploration and development costs	150.467,82	-	-	150.467,82
Deferred land compensation	80.945,90	1.300,45	-	82.246,35
Deferred financial charge	2.414,21	-	-	2.414,21
	233.827,93	1.300,45	-	235.128,38
Accumulated amortisation				
Deferred exploration and development costs	71.762,69	10.703,65	-	82.466,33
Deferred land compensation	28.902,43	31.785,37	-	60.687,80
Deferred financial charge	2.414,21	-	-	2.414,21
	103.079,33	42.489,02	-	145.568,34
Net book value	130.748,60			89.560,04

	Balance 2017	Additions	Disposals/ Adjustments	Balance 2018
Costs				
Deferred exploration and development costs	149.882,37	-	585,45	150.467,82
Deferred land compensation	81.531,35	-	(585,45)	80.945,90
Deferred financial charge	2.414,21	-	-	2.414,21
	233.827,93	-	-	233.827,93
Accumulated amortisation				
Deferred exploration and development costs	58.366,19	13.396,50	-	71.762,69
Deferred land compensation	18.021,24	10.881,19	-	28.902,43
Deferred financial charge	2.414,21	-	-	2.414,21
	78.801,64	24.277,69	-	103.079,33
Net book value	155.026,29			130.748,60

11. Other non current assets

	2019	2018
Deposit for land reclamation	29.546,10	29.546,10
Jaminan Kesungguhan	887,09	874,36
	30.433,19	30.420,46

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
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12. Other current liabilities

Advance from customers	165.713,53	36.600,41
Expenses payable	31.797,56	407.516,92
Jamsostek, Bpjs payables	430,90	425,59
Sundry creditors	6.835,56	6.754,41
	204.777,55	451.297,33

Advance from customer includes funds received from Adani Global Pte. Ltd amounting to USD.9.386.935.06 or Rp. 133.707.502.995 (2018, USD. 28.260.480.61 or Rp. 388.751.171.281) .

13 Loans

Secured loans		
PNC Bank	-	3.352,47
Unsecured loans		
Adani Global, Singapore	165.009,84	212.798,66
	165.009,84	216.151,13

PNC Bank

Represents a medium term loan facility from PNC Bank, National Association ("PNC Bank"), for the total sanction amount of USD. 8.067.777.39 for financing of the purchase of one (1) Joy Mining Continuous Miner, Model 12HM27-D , with related equipments (the "equipment") and secured by guarantee from Adani Global Pte. Ltd., Singapore. Term of repayment is fourteen (14) equal consecutive semi-annual installments commencing six (6) months after the installation of the equipment, evidenced by the installation certificate as determined by PNC Bank, but not later then 31 May 2011. The outstanding balane of the loan as of 31 March 2019 is USD. Nil (2018, USD.

14. Provision for employee benefit

The Company provides benefits for its employees who have reached the normal retirement age. The benefits are unfunded and based on the labor law No. 13/2003. The following table summarize the components of employee benefit expenses recognized in the statements of income and balance sheets for the employee benefits liabilities calculated by PT Sigama Prima Solusindo, an independent actuary in their report, dated 5 April 2019.

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
14. Provision for employee benefit - continued		
Movement in the benefits liability are as follows:		
Beginning balance	29.639,70	23.999,83
Actual benefit paid	(7.549,83)	(6.219,23)
Net employee benefits expense	11.316,28	5.946,16
Actuarial Gain / Loss	87,95	5.912,94
	33.494,10	29.639,70

The present value of employee benefits liability is calculated under projected unit credit method using the following assumptions:

Normal retirement age	56 years	56 years
Interest rate per annum	7,19 %	8,04 %
Annual average increase in basic salary	7,06 %	7,06 %

15. Non controlling interest

Represent Non controlling interest on shares and net income / (loss) of subsidiaries which have been consolidated, as follows :

Shares	30,00	30,00
Net Profit / (loss)		
Beginning balance	1.243,91	767,99
Net profit / (loss) for the year	(41,55)	475,92
	1.202,36	1.243,91
	1.232,36	1.273,91

16. Share capital

The composition of the shareholders as of 31 March 2019 and 2018 are as follows:

	Ownership Holding		2019	2018
	No. of Shares	Percentage	Rp.	Rp.
Authorized shares capital				
Serie A				
Adani Global Ltd, Mauritius	1.500,00	5%	1.388,70	1.388,70
Adani Global Pte. Ltd, S'pore	28.500,00	95%	26.385,30	26.385,30
	30.000,00	100%	27.774,00	27.774,00

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
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16. Share capital - continued

Authorized shares capital - continued

Serie B

Adani Global Ltd, Mauritius	11.000,00	5%	10.010,00	10.010,00
Adani Global Pte. Ltd, S'pore	209.000,00	95%	190.190,00	190.190,00
	220.000,00	100%	200.200,00	200.200,00
Total Authorised share capital			227.974,00	227.974,00

Issued and paid up shares capital

Serie A

Adani Global Ltd, Mauritius	1.500,00	5%	1.388,70	1.388,70
Adani Global Pte. Ltd, S'pore	28.500,00	95%	26.385,30	26.385,30
	30.000,00	100%	27.774,00	27.774,00

Serie B

Adani Global Ltd, Mauritius	11.000,00	5%	10.010,00	10.010,00
Adani Global Pte. Ltd, S'pore	209.000,00	95%	190.190,00	190.190,00
	220.000,00	100%	200.200,00	200.200,00
Total Issued and paid up shares capital			227.974,00	227.974,00

17. Additional paid-in capital

This account represents the foreign exchange difference between the original exchange rate (Serie A: Rp 925.800 to US\$ 100 and Serie B: Rp 910.000 to US\$ 100) as specified in the Company's Articles of Association and the rate at the time capital contributions were actually received from the Shareholders.

18. Costs of good sold

Opening stocks - coal	89.213,14	33.861,62
Coal purchased	-	-
Direct expenses	1.171.426,29	839.464,91
	1.260.639,43	873.326,53
Less :		
Closing stoks - coal	(44.647,09)	(89.213,14)
Cost of good sold	1.215.992,34	784.113,39

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
19. Direct expenses		
OB removal service	400.301,48	249.383,58
Solar, fuel, oil and gas expenses	190.181,04	129.723,62
Crane charges	160.714,97	73.198,99
Salaries	136.819,27	143.141,28
Barges rental	59.030,05	40.500,93
Depreciation of fixed assets	40.042,01	43.122,00
Site building jetty and road maintenace	39.302,08	10.880,67
Dump truck expenses	36.054,00	26.501,77
Demurrage expense	22.417,99	31.918,04
Rental equipment charges	14.536,92	10.112,65
Excavator expenses	12.816,68	12.884,31
Coal handling plant expenses	12.467,73	17.235,90
Generator expenses	10.117,04	12.379,31
Stevedoring expenses	9.036,75	10.160,50
Dozer expenses	5.494,87	5.095,78
Misc Shipping Exp.	5.167,81	3.246,37
Transport spares	3.915,11	5.178,04
Testing and analysis	3.376,21	1.994,67
Pick up expenses	2.876,58	1.672,20
Insurance expenses operating	2.865,35	5.162,11
Drilling and exploration services	1.621,56	521,32
General Spares Expense	611,37	4.876,00
Others	1.659,42	574,87
	1.171.426,29	839.464,91

20. General and administrative expenses

DMO Quota expenses	45.598,35	-
Amortisation of deferred expenses	42.492,13	24.277,69
Royalty	23.932,19	40.620,54
Office expenses	10.683,57	10.534,32
Travelling and conveyance expenses	14.940,31	12.959,33
Rates and taxes	14.431,82	6.138,01
Legal and professional fees	8.879,34	9.644,53
Fooding expenses	7.420,17	5.929,81
Reclamation and CSR	6.288,30	8.820,78
Miscellaneous expenses	5.688,65	6.838,28
IPK Expenses	5.616,50	685,78
Ssecurity charges	5.444,15	4.226,84
Honorarium	2.650,27	2.878,07
Others	321,45	206,90
	194.387,20	133.760,88

PT Adani Global and subsidiaries
Notes to the Consolidated Financial Statements - continued

The Financial Statements are prepared in million of Rupiah

	2019	2018
21. Other income (expenses)		
Foreign exchange gain /(loss)	(10.345,93)	(20.223,65)
Interest expenses	(70,96)	(309,37)
Profit /(loss) on disposal of fixed assets	0,00	(4.390,51)
Profit /(loss) on disposal of investments	585,45	0,00
Bank charges	(718,55)	(585,74)
Sundry balances written off	228,83	365,30
Dividend income	30,61	47,20
Interest income on current account	1.379,94	1.247,69
Others	153,04	951,36
	(8.757,57)	(22.897,72)

22. Related party transactions and balances

Balances :

Adani Global PTE Singapore - un secured loans	165.009,84	212.798,65
PT. Pinta Karya Makmur - loan	217.314,00	259.713,28
Abdi Khalik Ginting	7.263,29	7.263,61
PT. Adani Global Coal Trading - Debtor	4.582,74	4.582,74

Transactions

PT. Adani Global Coal Trading - Sales	-	4.676,27
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