

**PT MINCON INDO
RESOURCES**

FINANCIAL STATEMENTS
AS OF MARCH 31, 2018
AND FOR THE YEAR THEN ENDED
WITH INDEPENDENT AUDITOR'S REPORT

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**DIRECTORS' STATEMENT
ON THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018
PT MINCON INDO RESOURCES**

I, the undersigned below, :

Name : Dendi Adi Surya
Office Address : Menara Prima 15th floor, Units A and B, Jl Lingkar
Mega Kuningan Blok B6.2, kawasan Mega Kuningan,
East Kuningan, Setiabudi, Jakarta
Residential Address (in accordance with indentify card) : Jl. Cipete Raya No 9 RT 004/004, Kel. Cipete Selatan,
Kec. Cilandak, Kota Jakarta Selatan
Telephone No. :
Title : Liquidator

declare that :

1. We are responsible for the preparation and presentation of the Company's financial statements for the year ended March 31, 2018.
2. The Company's financial statements have been prepared and presented in accordance with generally accepted accounting principles applied in Indonesia.
3. All information has been fully and correctly disclosed in the Company's financial statements, and the Company's financial statements do not contain materially misleading information or facts, and do not conceal any information or facts
4. I am responsible for the Company's internal control system.

This statement has been made truthfully.

Jakarta, May 24, 2018



Dendi Adi Surya
Liquidator

The shareholders

PT MINCON INDO RESOURCES

We have audited the accompanying financial statements of **PT Mincon Indo Resources** ("The Company"), which comprise the statement of financial position as of **March 31, 2018**, and the statement of profit or loss and other 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

JAS

JUSTINUS A SIDHARTA
REGISTERED PUBLIC ACCOUNTANT

INDEPENDENT AUDITOR'S REPORT

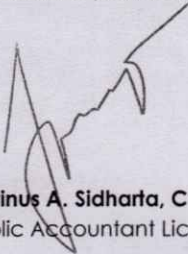
NO. OPN/MIR/MAR'18/201

Basis for disclaimer of opinion

As outlined in the notes to the financial statements no. 7, the stockholders agreed to dissolve the Company. Therefore, the Company is not in the going concern condition.

Disclaimer of opinion

Because of the Company is not in the going concern condition as described in the basis for disclaimer of opinion paragraph, we are not able to express an opinion, therefore we do not express any opinion of the presentation of the financial position of **PT Mincon Indo Resources** as of **March 31, 2018**, and their financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.



Justinus A. Sidharta, CPA
Public Accountant Licence no. AP.0944

May 24, 2018

OFFICE:

KOMPLEKS MUTIARA TAMAN PALEM BLOK A19 No.30, OUTER RINGROAD
KAMAL RAYA, CENKARENG JAKARTA BARAT 11730, INDONESIA

6221 5435 0431 | 6221 2931 9921 | 6220 2931 9923

LICENSE NO. 1227 / KM. 1 / 2011

PT MINCON INDO RESOURCES

STATEMENT OF FINANCIAL POSITION

As of March 31, 2018

(Expressed in United States dollar)

	<u>Notes</u>	<u>March 31,</u>	
		<u>2018</u>	<u>2017</u>
ASSETS			
CURRENT ASSET			
Cash in bank	2,4	<u>30,613</u>	<u>31,622</u>
TOTAL ASSET		<u><u>30,613</u></u>	<u><u>31,622</u></u>
EQUITY			
Capital stock - par value of US\$ 1 per share			
Authorized, issued and fully paid - 1,250,000 shares	5	1,250,000	1,250,000
Deficit		<u>(1,219,387)</u>	<u>(1,218,378)</u>
TOTAL EQUITY		<u><u>30,613</u></u>	<u><u>31,622</u></u>

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT MINCON INDO RESOURCESSTATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME

For the year ended March 31, 2018

(Expressed in United States dollar)

	Notes	Year ended March 31,	
		2018	2017
REVENUE		-	-
COST OF REVENUE		-	-
GROSS PROFIT (LOSS)		-	-
Interest income		51	39
General and administrative expense		-	(19)
Bank charges		(48)	(105)
Loss on foreign exchange - net		(1,012)	(228)
Other income		-	1
LOSS FROM OPERATIONS		(1,009)	(312)
Finance cost		-	-
LOSS BEFORE INCOME TAX EXPENSE		(1,009)	(312)
INCOME TAX EXPENSE			
Current		-	-
Deferred		-	-
LOSS FOR THE YEAR		(1,009)	(312)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(1,009)	(312)

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT MINCON INDO RESOURCES

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2018

(Expressed in United States dollar)

	Capital stock - issued and fully paid	Deficit	Total equity
Balance as of April 1, 2016	<u>250,000</u>	<u>(1,218,066)</u>	<u>(968,066)</u>
Paid in capital	1,000,000	-	1,000,000
Loss for the year	-	(312)	(312)
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>
Balance as of March 31, 2017	<u>1,250,000</u>	<u>(1,218,378)</u>	<u>31,622</u>
Loss for the year	-	(1,009)	(1,009)
Other comprehensive income	<u>-</u>	<u>-</u>	<u>-</u>
Balance as of March 31, 2018	<u><u>1,250,000</u></u>	<u><u>(1,219,387)</u></u>	<u><u>30,613</u></u>

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

PT MINCON INDO RESOURCESSTATEMENT OF CASH FLOWS
For the year ended March 31, 2018
(Expressed in United States dollar)

	Year ended March 31,	
	2018	2017
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before income tax	(1,009)	(312)
Adjustment to reconcile loss before income tax to net cash provided by (used in) operating activities		
Decrease in trade receivables	-	138,795
Decrease in trade payable	-	(211)
Cash provided by (used in) operating activities	(1,009)	138,272
Proceeds from tax restitution	-	27,728
Net cash provided by (used in) operating activities	(1,009)	166,000
CASH FLOW FROM FINANCING ACTIVITIES		
Decrease in due to related parties	-	(338,840)
Decrease in due from related party	-	200,045
Net cash used in financing activities	-	(138,795)
INCREASE (DECREASE) IN NET CASH IN BANK	(1,009)	27,205
CASH IN BANK AT BEGINNING OF YEAR	31,622	4,417
CASH IN BANK AT END OF YEAR	30,613	31,622

The accompanying notes to the financial statements form an integral part of these financial statements taken as a whole.

1. GENERAL

a. The Company's establishment

PT Mincon Indo Resources ("the Company") was established based on notarial deed no. 47 of public notary Rose Takarina, SH, dated April 17, 2008. The deed of establishment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in decision letter no. AHU-20473.AH.01.01.Tahun 2008 dated April 23, 2008, and has not been published in the State Gazette.

The Company's articles of association have been amended several times, most recently by notarial deed no. 02 of public notary Saint Anderonikus, A. Md, SH, M.Kn., dated February 13, 2017 concerning the Company's dissolution. The changes have been accepted by the Minister of Law and Human Rights of the Republic of Indonesia in decision letter no. AHU-AH.01.10-0001124 dated February 20, 2017.

The Company's scope of activities is rental of heavy equipment and commence commercial operations since June 2008.

In January 2016, the Company had sold all of its fixed assets including heavy equipment, and all of its employees had been terminated. Therefore, since then the Company has no business activity and is in the process of dissolution.

The Company is domiciled in Menara Prima, 15th floor, units A and B, Jalan Lingkar Mega Kuningan Blok B6.2, Kawasan Mega Kuningan, East Kuningan, Setiabudi, Jakarta.

The Company belongs to a group of companies owned by Mercator Limited (the Group), a group listed in the National Stock Exchange and Bombay Stock Exchange, India.

b. The boards of commissioner and director and employees

The composition of the Company's boards of commissioner and director as of March 31, 2017 is as follows :

Board of commissioner

Commissioner : Jaysangker

Board of director

Director : Suhadi Zaini

As of March 31, 2018, the Company's boards of commissioner and director is inactive.

The Company's management is responsible for the preparation of the accompanying financial statements that were completed and authorized to be issued on May 24, 2018.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation of the financial statements

The financial statements have been prepared in accordance with Statements of Financial Accounting Standards ("PSAK") in Indonesia, which issued by the Financial Accounting Standards Board of the Indonesian Institute of Accountants ("DSAK").

The financial statements have been prepared on the accrual basis using the historical cost concept, except for certain accounts which are measured on the bases as described in the following notes to the financial statements.

PT MINCON INDO RESOURCES

NOTES TO THE FINANCIAL STATEMENTS (continued)
As of March 31, 2018 and for the year then ended
(Expressed in United States dollar, unless otherwise stated)

The statement of cash flows presents cash flows classified into operating, investing and financing activities. The cash flows from operating activities are presented using the indirect method.

The reporting currency used in the financial statements is the United States dollar ("US\$"), which is also the Company's functional currency.

b. Foreign currency transactions and balances

The Company considers the primary indicators and other indicators in determining its functional currency. If indicators are mixed and the functional currency is not obvious, management uses its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

Transactions involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At statement of financial position date, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the last prevailing rates as of such date and the resulting gains or losses are credited or charged to current operations.

The rate of exchange used was as follows :

	March 31,	
	2018	2017
1 Indonesian Rupiah (Rp)	1/13,756	1/13,321

c. Expense recognition

Expenses are recognized when they are incurred.

d. Corporate income tax

Current tax expense is provided based on the estimated taxable income for the year. Deferred tax assets and liabilities are recognized for temporary differences between the financial and the tax bases of assets and liabilities at each reporting date. Future tax benefits, such as tax losses carry-forward, are also recognized to the extent that realization of such benefits is probable. The tax effects for the year are allocated to current operations, except for the tax effects from transactions which are directly charged or credited to equity.

Deferred tax is calculated at the tax rate that has been enacted or substantively enacted at the statement of financial position date.

Amendment to tax obligation is recorded when an assessment letter is received or if appealed against, when the results of the appeal are determined. The additional taxes and penalty imposed through an assessment letter are recognized as income or expense in the current year profit or loss, unless objection/appeal is taken. The additional taxes and penalty imposed through an assessment letter are deferred as long as they meet the asset recognition criteria.

PT MINCON INDO RESOURCES

NOTES TO THE FINANCIAL STATEMENTS (continued)
 As of March 31, 2018 and for the year then ended
 (Expressed in United States dollar, unless otherwise stated)

4. CASH IN BANK

Cash in bank consist of :

	March 31,	
	2018	2017
Indonesian Rupiah		
PT Bank Danamon Indonesia Tbk.	30,585	31,584
United States dollar		
PT Bank Danamon Indonesia Tbk.	<u>28</u>	<u>38</u>
Total	<u><u>30,613</u></u>	<u><u>31,622</u></u>

All cash in bank is placed in third-party bank.

5. CAPITAL STOCK

The details of the Company stockholders as of March 31, 2018 and 2017 are as follows :

Shareholders	%	Number of shares	Nominal per share	Total
PT Oorja Indo Petangis Three	99.80	1,247,500	1	1,247,500
PT Oorja Indo Petangis Four	<u>0.20</u>	<u>2,500</u>	1	<u>2,500</u>
Total	<u><u>100.00</u></u>	<u><u>1,250,000</u></u>		<u><u>1,250,000</u></u>

6. TAXATION

The reconciliation between loss before income tax expense as shown in the statements of profit or loss and other comprehensive income, and estimated fiscal loss for the year ended March 31, 2017 of the Company is as follows :

Loss before income tax expense per statement of profit or loss and other comprehensive income	(312)
Permanent differences	
Income already subjected to final tax	
Interest	<u>(39)</u>
Estimated fiscal loss	<u>(351)</u>
Accumulated estimated fiscal loss	
Year ended March 31, 2015	(90,791)
Year ended March 31, 2017	<u>(351)</u>
Total accumulated fiscal loss	<u><u>(91,142)</u></u>

7. THE COMPANY'S FINANCIAL CONDITIONS

Based on the deed of statement of the stockholders' resolution no. 02 dated February 13, 2017 of public notary Saint Anderonikus, A.Md, SH, M.Kn., the stockholders agreed to dissolve the Company and has appointed a liquidator for the dissolution process.

The Company's dissolution has been reported to the Minister of Law and Human Rights of the Republic of Indonesia in decision letter no. AHU-AH.01.10-0001124 dated February 20, 2017.

Until the date of this report is published, the Company is still in the process of dissolution.