

**PT OORJA INDO PETANGIS THREE**

FINANCIAL STATEMENTS  
AS OF MARCH 31, 2019  
AND FOR THE YEAR THEN ENDED  
WITH INDEPENDENT AUDITOR'S REPORT

**PT OORJA INDO PETANGIS THREE**

FINANCIAL STATEMENTS

AS OF MARCH 31, 2019

AND FOR THE YEAR THEN ENDED

WITH INDEPENDENT AUDITORS' REPORT

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**PT OORJA INDO PETANGIS THREE**

SURAT PERNYATAAN DIREKSI TENTANG TANGGUNG  
JAWAB LAPORAN KEUANGAN

Tanggal 31 Maret 2019 dan  
untuk tahun yang berakhir pada tanggal tersebut

**PT OORJA INDO PETANGIS THREE**

DIRECTOR'S STATEMENT ON THE RESPONSIBILITY FOR  
THE FINANCIAL STATEMENTS

As of March 31, 2019 and  
for the year then ended

Saya yang bertandatangan di bawah ini :

*I, the undersigned below :*

Nama	:	Kennedy Perakash Nanik	:	Name
Alamat kantor	:	Menara Prima, 15th Floor, Unit A&B, Jl. Ide Anak Agung Gde Agung, Kuningan Timur, Setiabudi, Jakarta Selatan, DKI Jakarta 12950	:	Office address
Nomor telepon	:	021-57948028 / 57948381	:	Telephone number
Jabatan	:	Direktur / Director	:	Title

Menyatakan bahwa :

*Declare that :*

- |                                                                                                                                                                                                                                                   |                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Bertanggung jawab atas penyusunan dan penyajian laporan keuangan Perusahaan.                                                                                                                                                                   | 1. Responsible for the preparation and presentation of the Company's financial statement.                                                                                                                                                               |
| 2. Laporan keuangan Perusahaan telah disusun dan disajikan sesuai dengan Standar Akuntansi Keuangan di Indonesia.                                                                                                                                 | 2. The Company's financial statements have been prepared and presented in accordance with Indonesian Financial Accounting Standards.                                                                                                                    |
| 3. Semua informasi dalam laporan keuangan Perusahaan telah dimuat secara lengkap dan benar dan laporan keuangan Perusahaan tidak mengandung informasi atau fakta material yang tidak benar dan tidak menghilangkan informasi atau fakta material. | 3. All information has been completely and properly disclosed in the Company's financial statements and the Company's financial statements do not contain materially misleading information or facts and do not omit any material information or facts. |
| 4. Bertanggung jawab atas sistem pengendalian internal dalam Perusahaan.                                                                                                                                                                          | 4. Responsible for the Company's internal control system.                                                                                                                                                                                               |

Demikian pernyataan ini dibuat dengan sebenarnya.

*The statement has been made truthfully.*

Jakarta, 30 Mei 2019 / Jakarta, May 30 2019



Kennedy Perakash Nanik  
Direktur/ Director

**PT OORJA INDO PETANGIS THREE**

Kawasan Mega Kuningan Menara Prima, 15<sup>th</sup> Floor Unit A & B  
Jl. Lingkar Mega Kuningan No. 6.2 Jakarta Selatan 12950, Indonesia  
Telp : +62-21 57948028 Fax : +62-21 57948029



**The shareholders and the boards of commissioner and directors**

**PT OORJA INDO PETANGIS THREE**

We have audited the accompanying financial statements of **PT Oorja Indo Petangis Three**, which comprise the statement of financial position as of **March 31, 2019**, 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

## Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **PT Oorja Indo Petangis Three** as at **March 31, 2019**, the financial performance, and its 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 30, 2019

## OFFICE:

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

6221 5435 0431 | 6221 2931 9921 | 6220 2931 9923

LICENSE NO. 1227 / KM. 1 / 2011

**PT OORJA INDO PETANGIS THREE**

STATEMENT OF FINANCIAL POSITION

As of March 31, 2019

(Expressed in United States dollar)

		<b>March 31,</b>	
	<b>Notes</b>	<b>2019</b>	<b>2018</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash in bank	2,4	884	18.297
Other receivable			
Related party	2,5	6.080	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6.964</b>	<b>18.297</b>
<b>NON-CURRENT ASSETS</b>			
Investment in share of stocks - net	2,6	-	30.552
Fixed assets - net	2	-	-
<b>TOTAL NON-CURRENT ASSETS</b>		<b>-</b>	<b>30.552</b>
<b>TOTAL ASSETS</b>		<b>6.964</b>	<b>48.849</b>
<b>EQUITY</b>			
Capital stock - par value of US\$ 250 per share			
Authorized, subscribed and fully paid -			
13,000 shares	7	3.250.000	3.250.000
Deficit		(3.243.036)	(3.201.151)
<b>TOTAL EQUITY</b>		<b>6.964</b>	<b>48.849</b>

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

**PT OORJA INDO PETANGIS THREE**

STATEMENT OF PROFIT OR LOSS AND

OTHER COMPREHENSIVE INCOME

For the year ended March 31, 2019

(Expressed in United States dollar)

	Notes	Year ended March 31,	
		2019	2018
<b>REVENUE</b>		-	-
<b>COST OF REVENUE</b>		-	-
<b>GROSS PROFIT</b>		-	-
Interest income		13	70
General and administrative expenses	2,8	-	(37.866)
Loss on sale of investment in associate company		-	(232.276)
Loss on impairment of investment in share of stocks		-	(289.585)
Loss on foreign exchange - net		(32)	(615)
Bank charges		(92)	(76)
Taxes expense		(327)	-
Loss on disposals of investment in share of stocks		(30.552)	-
Other income		-	6
<b>LOSS FROM OPERATIONS</b>		<b>(30.990)</b>	<b>(560.342)</b>
Finance cost		-	-
<b>LOSS BEFORE INCOME TAX EXPENSE</b>		<b>(30.990)</b>	<b>(560.342)</b>
<b>INCOME TAX EXPENSE</b>			
Current	2	-	-
Deferred	2	-	-
<b>LOSS FOR THE YEAR</b>		<b>(30.990)</b>	<b>(560.342)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE EXPENSE FOR THE YEAR</b>		<b>(30.990)</b>	<b>(560.342)</b>

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

**PT OORJA INDO PETANGIS THREE**

STATEMENT OF CHANGES IN EQUITY

For the year ended March 31, 2019

(Expressed in United States dollar)

	<b>Capital stock - subscribed and fully paid</b>	<b>Deficit</b>	<b>Total equity</b>
<b>Balance as of April 1, 2017</b>	3.250.000	(2.640.809)	609.191
Loss for the year	-	(560.342)	(560.342)
Other comprehensive income	-	-	-
<b>Balance as of March 31, 2018</b>	3.250.000	(3.201.151)	48.849
Correction balance	-	(10.895)	(10.895)
Loss for the year	-	(30.990)	(30.990)
Other comprehensive income	-	-	-
<b>Balance as of March 31, 2019</b>	3.250.000	(3.243.036)	6.964

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



**PT OORJA INDO PETANGIS THREE**

## STATEMENT OF CASH FLOWS

For the year ended March 31, 2019

(Expressed in United States dollar)

	Year ended March 31,	
	2019	2018
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss before income tax expense	(30.990)	(560.342)
Adjustment to reconcile loss before income tax expense to net cash used in operating activities		
Loss on impairment of investment in share of stocks	-	289.579
Loss on disposals of investment in share of stocks	30.552	-
Loss on sale of investment in associate	-	232.276
Correction of balance	(10.895)	6
<b>Net cash used in operating activities</b>	<b>(11.333)</b>	<b>(38.481)</b>
<b>CASH FLOW FROM INVESTING ACTIVITY</b>		
Proceed from sale of investment in associate company	-	56.301
<b>Net cash provided by investing activity</b>	<b>-</b>	<b>56.301</b>
<b>CASH FLOW FROM FINANCING ACTIVITY</b>		
Increase in due from related party	(6.080)	-
<b>Net cash used in financing activities</b>	<b>(6.080)</b>	<b>-</b>
<b>INCREASE (DECREASE) IN NET CASH IN BANK</b>	<b>(17.413)</b>	<b>17.820</b>
<b>CASH IN BANK AT BEGINNING YEAR</b>	<b>18.297</b>	<b>477</b>
<b>CASH IN BANK AT END OF YEAR</b>	<b>884</b>	<b>18.297</b>

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

## PT OORJA INDO PETANGIS THREE

### NOTES TO THE FINANCIAL STATEMENTS

As of March 31, 2019 and for the year then ended  
(Expressed in United States dollar, unless otherwise stated)

#### 1. GENERAL

##### a. The Company's establishment

PT Oorja Indo Petangis Three ("the Company") was established based on notarial deed no. 01 of public notary Sri Irmiafi, SH, dated October 2, 2007. The deed of establishment was approved by the Minister of Law and Human Rights of the Republic of Indonesia in decision letter no. C-05514 HT.01.01-TH.2007 dated December 6, 2007, and was published in State Gazette no.4 dated January 11, 2008, Supplement no.440.

The Company's articles of association have been amended several times, most recently by notarial deed no. 10 of public notary Aditya Putra Patria, SH., M.Kn, dated April 20, 2018 concerning the changes in the Company's board of commissioner and directors. The changes have been reported to the Minister of Law and Human Rights of the Republic of Indonesia in acceptance letter no. AHU-0056310.AH.01.11.TAHUN 2018 dated April 20, 2018.

The Company commence commercial operations since July 2008.

Since April 1, 2017 up to March 31, 2019, the Company is in inactive condition.

The Company is domiciled in Menara Prima, 15<sup>th</sup> floor, units A and B, Jalan Lingkar Mega Kuningan No. 62, 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 directors and employees

The composition of the Company's boards of commissioner and directors is as follows :

	<b>March 31,</b>	
	<b>2019</b>	<b>2018</b>
<b>Board of commissioner</b>		
Commissioner	: Adip Mittal	Kala Wili Dewi
<b>Board of directors</b>		
President Director	: Kennedy Perkasih Nanik	-
Director	: Archana Mittal	Jaysangker
Director	: Shalabh Mittal	

The Company's management is responsible for the preparation of the accompanying financial statements that were completed and authorized to be issued on May 30, 2019.

**PT OORJA INDO PETANGIS THREE**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
 As of March 31, 2019 and for the year then ended  
 (Expressed in United States dollar, unless otherwise stated)

**c. The Company's subsidiaries**

The Company has controlling ownership interest as follows :

	<b>March 31,</b>	
	<b>2019</b>	<b>2018</b>
PT Bima Gema Permata		
Domicile	Jakarta	Jakarta
Nature of business	Coal mining	Coal mining
Effective percentage of ownership	50%	50%
Start of commercial operations	April 2011	April 2011
Total assets	US\$ 42,166	US\$ 132,635
PT Mincon Indo Resources		
Domicile	-	Jakarta
Nature of business	-	Heavy equipment rentals
Effective percentage of ownership	-	99.8%
Start of commercial operations	-	June 2008
Total assets	-	US\$ 30,613

**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.

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.

**PT OORJA INDO PETANGIS THREE**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
 As of March 31, 2019 and for the year then ended  
 (Expressed in United States dollar, unless otherwise stated)

The rate of exchange used was as follows :

	<u>March 31,</u>	
	<u>2019</u>	<u>2018</u>
1 Indonesian Rupiah (Rp)	1/14,244	1/13,756

**c. Investments in share of stocks**

Investments in shares of stocks with ownership at least 20% but less than 50% were recorded as equity method, stated at cost, adjusted with net gain or loss of associate companies proportionally based on ownership percentage.

**d. Transactions with related parties**

A related party is a person or entity that is related to the Company.

- a. A person or a close member of that person's family is related to the Company, if that person :
- (i) has control or joint control over the Company,
  - (ii) has significant influence over the Company, or
  - (iii) is a member of the key management personnel of the Company or of a parent entity of the Company.
- b. An entity is related to the Company if any of the following conditions applies :
- (i) The entity and the Company are members of the same group.
  - (ii) One entity is an associate or joint venture of the Company (or an associate or joint venture of a member of a group of which the Company is a member).
  - (iii) Both entity and the Company are joint ventures of the same third party.
  - (iv) The Company is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company.
  - (vi) The entity is controlled or jointly controlled by a person identified in point a.
  - (vii) A person identified in point a (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

**e. Fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment loss, if any. Such cost includes the cost of replacing part of the fixed assets, if the recognition criteria are met. Likewise, when performing regular major inspections for faults is a condition for continuing to operate an item of fixed assets, the cost of each major inspection is recognized in the carrying amount of the fixed assets as a replacement if the recognition criteria are satisfied. All other repairs and maintenance costs that do not meet the recognition criteria are charged to current operations.

Depreciation is calculated on the straight-line basis over the estimated useful lives of the assets as follows :

	<u>Years</u>
Office equipment	4



An item of fixed assets is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is credited or charged to operations in the year the asset is derecognized.

The residual values, useful lives and methods of depreciation of fixed assets are reviewed and adjusted prospectively, if appropriate, at the end of the reporting period.

**f. Expense recognition**

Expenses are recognized when they are incurred.

**g. 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.

However, based on the government regulation no. 23 year 2018, for companies with revenues amounting to Rp 4.8 billion per year or below, the corporate income tax is calculated based on final basis of 0.5% from the revenues.

**h. Financial instruments**

**i. Financial assets**

Initial recognition

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The classification of financial assets is determined at initial recognition and, where allowed and appropriate, re-evaluates this designation at the end of each reporting period.

Financial assets are recognized initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way purchases) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the assets.

Subsequent measurement

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such financial assets are carried at amortized cost using the effective interest rate method.

Gains and losses are recognized in the profit or loss when the loans and receivables are derecognized or impaired, as well as through the amortization process.

**ii. Financial liabilities**

Initial recognition

Financial liabilities are classified as financial liabilities at fair value through profit or loss, liabilities at amortized cost, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The classification of financial liabilities is determined at initial recognition.

Financial liabilities are recognized initially at fair value which, in the case of liabilities at amortized cost, is net of directly attributable transaction costs.

Subsequent measurement

After initial recognition, liabilities at amortized cost are subsequently measured at amortized cost using the effective interest rate method.

Gains and losses are recognized in profit or loss when liabilities are derecognized as well as through the amortization process.

**iii. Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**iv. Fair value of financial instruments**

The fair value of financial instruments that are actively traded in organized financial markets is determined by reference to quoted market bid prices at the close of business at the end of the reporting period. For financial instruments where there is no active market, fair value is determined using valuation techniques. Such techniques may include using recent arm's length market transaction, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis, or other valuation models.

Credit risk adjustment

The Company adjusts the price in the more observable market to reflect any differences in counterparty credit risk between instruments traded in that market and the ones being valued for financial asset positions. In determining the fair value of financial liability positions, the Company's own credit risks associated with the instruments are taken into account.

**v. Amortized cost of financial instruments**

Amortized cost is computed using the effective interest rate method less any allowance for impairment and principal repayment or reduction. The calculation takes into account any premium or discount on acquisition and includes transaction costs and fees that are an integral part of the effective interest rate.

**vi. Impairment of financial assets**

The Company assesses at each statement of financial position date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Financial assets carried at amortized cost

For loans and receivables carried at amortized cost, the Company first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Company determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics, and the group is collectively assessed for impairment. Assets that are individually for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has occurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate. If a "loans and receivables" financial asset has a variable interest rate, the discount rate for measuring impairment loss is the current effective interest rate.

The carrying amount of the financial asset is reduced through the use of an allowance for impairment account and the amount of the loss is recognized in the statement of comprehensive income. Interest income continues to be accrued on the reduced carrying amount based on the original effective interest rate of the financial asset.

Loans and receivables, together with the associated allowance, are written off when there is no realistic prospect of future recovery and all collateral has been realized or has been transferred to the Company. If, in a subsequent year, the amount of the estimated impairment loss increases or decreases because of an event occurring after the impairment was recognized, the previously recognized impairment loss is increased or reduced by adjusting the allowance for impairment account. If a future write-off is later recovered, the recovery is recognized in profit or loss.

**vii. Derecognition of financial assets and liabilities**

Financial assets

A financial asset (or where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized when :

- (1) the rights to receive cash flows from the asset have expired, or
- (2) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement, and either
  - (a) the Company has transferred substantially all the risks and rewards of the asset, or
  - (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in profit and loss.

**3. SOURCE OF ESTIMATION UNCERTAINTY**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the end of the reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset and liability affected in future periods.

**Judgments**

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those including estimations and assumptions, which have the most significant effect on the amounts recognized in the financial statements :

**a. Determination of functional currency**

Management has made judgment on the determination of functional currency. The functional currency of the Company is the currency of the primary economic environment in which the Company operates. It is the currency that mainly influences the revenue and cost of revenues.

**Estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are discussed below :

**a. Determination of fair values of financial assets**

When the fair value of financial assets recorded in the statement of financial position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair value. The judgment includes consideration of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**b. Estimating useful lives of fixed assets**

The Company estimates the useful lives of its fixed assets based on expected asset utilization as anchored on business plans and strategies that also consider expected future technological developments and market behavior. The estimation of the useful lives of fixed assets is based on the Company's collective assessment of industry practice, internal technical evaluation and experience with similar assets. The estimated useful lives are reviewed at least each financial year end and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limitations on the use of the assets. It is possible, however, that future results of operations could be materially affected by changes in the estimates brought about by changes in the factors mentioned above.

The amounts and timing of recorded expenses for any year will be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the Company's fixed assets will increase the recorded operating expenses and decrease non-current assets.



**PT OORJA INDO PETANGIS THREE**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
 As of March 31, 2019 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,	
	2019	2018
Indonesian Rupiah		
PT Bank Danamon Indonesia Tbk.	884	18.254
United States dollar		
PT Bank Danamon Indonesia Tbk.	-	42
<b>Total</b>	<b>884</b>	<b>18.297</b>

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

**5. OTHER RECEIVABLE**

This account mainly represents operational receivable to PT Oorja Indo KGS, related party, bears no interest and without terms of payment, amounting to US\$ 6,080 as of March 31, 2019.

**6. INVESTMENT IN SHARE OF STOCKS - NET**

Investment in share of stocks consist of :

	March 31,	
	2019	2018
Subsidiaries		
PT Bima Gema Permata	288.578	288.578
PT Mincon Indo Resources	-	1.138.600
<b>Total subsidiaries</b>	<b>288.578</b>	<b>1.427.178</b>
Allowance for impairment		
PT Bima Gema Permata	(288.578)	(288.578)
PT Mincon Indo Resources	-	(1.108.048)
<b>Net</b>	<b>-</b>	<b>30.552</b>

Based on decision letter of the Minister of Law and Human Rights of the Republic of Indonesia no. AHU-AH.01.03-00026 dated January 29, 2019, PT Mincon Indo Resources has been liquidated. Therefore, the net value of the Company's investment in PT Mincon Indo Resources has been written off. Loss of disposals of the investment amounting to US\$ 30,552 has been recognized in the statement of profit or loss and other comprehensive income.

**PT OORJA INDO PETANGIS THREE**

NOTES TO THE FINANCIAL STATEMENTS (continued)  
As of March 31, 2019 and for the year then ended  
(Expressed in United States dollar, unless otherwise stated)

**7. CAPITAL STOCK**

The Company's authorized capital amounting to US\$ 3,250,000 divided into 13,000 shares with par value of US\$ 250 per share. All of the authorized capital has been subscribed and fully paid with the details of the Company's stockholders as of March 31, 2019 and 2018 as follows :

<b>Shareholders</b>	<b>%</b>	<b>Number of shares</b>	<b>Nominal per share</b>	<b>Total</b>
Oorja 1 Pte. Ltd.	99,83	12.978	250	3.244.500
Oorja Holding Pte. Ltd.	0,17	22	250	5.500
<b>Total</b>	<b>100,00</b>	<b>13.000</b>		<b>3.250.000</b>

**8. GENERAL AND ADMINISTRATIVE EXPENSES**

This account mainly represents professional fees expense amounting to US\$ 37,529 for the year ended March 31, 2018.

**9. THE COMPANY'S FINANCIAL CONDITIONS**

As of March 31, 2019, the Company's deficit amounting to US\$ 3,243,036 or 99.78% of its capital stock.

In response to this financial condition, the management has sought continuous support from its stockholders that have agreed to provide financial support to the Company.

The accompanying financial statements are prepared based on the going concern concept without considering the Company's value if liquidated.