

PT ISMT RESOURCES

*FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2021
AND FOR THE YEAR THEN ENDED
WITH
INDEPENDENT AUDITORS' REPORT*

THE BOARD OF DIRECTORS STATEMENTS LETTER
REGARDING
THE RESPONSIBILITY OF FINANCIAL STATEMENTS OF
PT ISMT RESOURCES
AS OF DECEMBER 31, 2021
AND FOR THE YEAR THEN ENDED

We, the undersigned:

Name : **Narayan Vithal Karbhase**
Office Address : Jl. Jenderal Sudirman Kav. 29 Wisma Metropolitan II, 6th Floor
Jakarta 12920
Office Number : (62-21) 30048038
Title : Director

Declare that:

1. We are responsible for the PT ISMT Resources financial statements preparation and presentation;
2. The financial statements have been prepared and presented in accordance with generally accepted accounting principles in Indonesia;
3. All information has been fully and correctly disclosed in the financial statements;
4. The financial statements do not contain any wrong information about material fact, and do not omit any information and material fact;
5. We are responsible for the internal control system of The Company.

This statements has been made truthfully.

April 18, 2022

PT ISMT RESOURCES


Narayan Vithal Karbhase
Director



Independent Auditors' Report

Report No. 00115/2.1000/AU.1/02/0136-1/1/IV/2022

**The Stockholders, Board of Commisioners, and Directors
PT ISMT Resources**

We have audited the accompanying financial statements of PT ISMT Resources ("Entity"), which comprise the statement of financial position as of December 31, 2021, and the statements of comprehensive income, changes in equity, and of 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 these financial statements in accordance with Indonesian Financial Accounting Standards and for such internal control as management determined is necessary to enable the preparation of financial statements that are free from material misstatement. whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these 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 the 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 risk of material misstatement of the financial statements, whether due to fraud or error.

In making those risk 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.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of PT ISMT Resources as of December 31, 2021, the financial performance, and their cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

HERTANTO, GRACE, KARUNAWAN



Drs. Hertanto, M.S.Ak., CPA., CPMA., CA.
Public Accountant Registration No. AP.0136
April 18, 2022



00115

PT ISMT RESOURCES
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And for the year then ended

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PT ISMT RESOURCES
STATEMENTS OF FINANCIAL POSITION
As of December 31, 2021
(Amount stated in Rupiah, unless otherwise stated)

	Notes	2021	2020
ASSETS			
CURRENT ASSETS			
Cash Equivalent	2a,2b,2c,3	9.533.119	10.269.862
Total Current Assets		<u>9.533.119</u>	<u>10.269.862</u>
TOTAL ASSETS		<u>9.533.119</u>	<u>10.269.862</u>
LIABILITIES AND SHAREHOLDER'S EQUITY			
LIABILITIES			
Tax Liabilities	2b,4	-	-
Total Liabilities		<u>-</u>	<u>-</u>
SHAREHOLDER'S EQUITY			
Share Capital - Comprise of 1.000 Shares With Par Value of Rp8,929,000 per share Issued and Paid-in Capital	2b,6	8.929.000.000	8.929.000.000
Surplus (Deficit) During Development Stage		(8.919.466.881)	(8.918.730.138)
Total Equity		<u>9.533.119</u>	<u>10.269.862</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		<u>9.533.119</u>	<u>10.269.862</u>

*See Accompanying Notes to Financial Statements
which are an integral part of the Financial Statements taken as a whole.*

PT ISMT RESOURCES**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

For the year then ended on December 31, 2021

(Amount stated in Rupiah, unless otherwise stated)

	Notes	2021	2020
REVENUE		-	-
OPERATING EXPENSES		-	-
GROSS PROFIT		-	-
OTHER INCOME/(EXPENSES)	2b,6		
Income from debt write-offs		-	-
Audit Fees		-	-
Professional Fees Others		-	-
Bank Charges		(851.220)	(840.180)
Unrealized Gain on Forex		114.477	154.656
NET INCOME (LOSS) BEFORE TAX		<u>(736.743)</u>	<u>(685.524)</u>
Current Tax Expense	2d, 4	-	-
NET INCOME (LOSS) AFTER TAX		<u>(736.743)</u>	<u>(685.524)</u>
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		<u>(736.743)</u>	<u>(685.524)</u>

*See Accompanying Notes to Financial Statements
which are an integral part of the Financial Statements taken as a whole.*

PT ISMT RESOURCES
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
For the year then ended on December 31, 2021
(Amount stated in Rupiah, unless otherwise stated)

	For The Year Ended on December 31, 2021		
	Share Capital	Net Income Accumulated During Development Stage	Total Shareholders
Balance, January 1, 2020	8.929.000.000	(8.918.044.614)	10.955.386
Net Income (Loss)	-	(685.524)	(685.524)
Balance December 31, 2020	8.929.000.000	(8.918.730.138)	10.269.862
Net Income (Loss)	-	(736.743)	(736.743)
Balance December 31, 2021	8.929.000.000	(8.919.466.881)	9.533.119

*See Accompanying Notes to Financial Statements
which are an integral part of the Financial Statements taken as a whole.*

STATEMENTS OF CASH FLOWS
STATEMENTS OF CASH FLOWS
For the year then ended on December 31, 2021

	Notes	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Income (Loss) during the development stage after tax		(736.743)	(685.524)
Adjustments to Net Income:			
Changes in working capital adjustments:			
Provision For Expenses		-	-
Other Payables		-	-
Net cash (used for) operating activities		<u>(736.743)</u>	<u>(685.524)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
Net cash provided from investing activities		<u>-</u>	<u>-</u>
CASH FLOW FROM FINANCING ACTIVITIES			
Net cash provided from financing activities		<u>-</u>	<u>-</u>
NET INCREASE (DECREASE) IN CASH EQUIVALENT		<u>(736.743)</u>	<u>(685.524)</u>
CASH EQUIVALENT AT BEGINNING OF YEAR		10.269.862	10.955.386
CASH EQUIVALENT AT END OF YEAR	2c, 3	<u>9.533.119</u>	<u>10.269.862</u>

*See Accompanying Notes to Financial Statements
which are an integral part of the Financial Statements taken as a whole.*

PT ISMT RESOURCES

NOTES TO FINANCIAL STATEMENTS

As of December 31, 2021 and for the year then ended
(Amount stated in Rupiah, unless otherwise stated)

1. GENERAL INFORMATION

a. The Entity's Establishment

PT ISMT Resources ("the Entity") was established in a form of limited liability company (Perseroan Terbatas / PT) on October 25, 2010 based on Notarial Deed of Mellyani Noor Shandra SH number 84 dated October 25, 2010 which legalized by The Ministry of Law and Human Rights with decision letter number AHU-52260.AH.01.01.TH.2010 dated November 11, 2010. the Entity domiciles in South Jakarta with representative office located at Jl. Jenderal Sudirman Kav. 29 Wisma Metropolitan II, 6th Floor Jakarta 12920.

b. Scope of Business

Based on the article of association, the Entity scope of activities are comprised of:

1. Distributing goods, such as coals.
2. Exporting goods, such as coals.
3. Management business consulting services.

c. Organizational Structure

Based on the Notarial Deed of Mellyani Noor Shandra SH number 84 dated October 25, 2010, the structure of the Board of Commissioner and the Board of Director as of December 31, 2021 and 2020 are as follow:

Positions	
Shareholders	: Tridem Port and Power Company Private Limited (99.90%)
	: Narayan Vithal Karbhase (0.10%)
Commissioner	: Rajiv Goel
Director	: Narayan Vithal Karbhase

2. SUMMARY OF ACCOUNTING POLICIES

a. Basis of Financial Statements

The financial statements are prepared in accordance with generally accepted accounting principles in Indonesia, which are based on Indonesian Financial Accounting Standards and the regulations of the Coordination Board of Direct Foreign Investment (BKPM).

The financial statements are prepared on the accrual basis using the historical cost concept, except for certain accounts that are measured on the basis described in the related accounting policies.

The statements of cash flows are prepared using the indirect method and presents the sources and uses of cash with the classification of operating, investing, and financing activities.

b. Foreign Currency Transactions

The Entity maintains its transaction in United States Dollar (USD). Foreign currencies transaction are recorded based on SFAS No. 10 "Transaction in Foreign Currencies", using rates of exchange prevailing at the time transactions are made.

At financial positions date, monetary assets and liabilities denominated in foreign currencies are adjusted using the middle rate of Bank Indonesia at the last banking transactions date for the year. Any resulting gains or losses on foreign exchange are credited or charged to operations of the current year. As of December 31, 2021 and 2020 the rates of exchange used were Rp14.269 and Rp14.105.

PT ISMT RESOURCES**NOTES TO FINANCIAL STATEMENTS (Continued)**

As of December 31, 2021 and for the year then ended

(Amount stated in Rupiah, unless otherwise stated)

2. SUMMARY OF ACCOUNTING POLICIES (Continued)

c. Cash Equivalent

Cash Equivalents consist of cash in banks and the Entity's statement of cash flows presented by using indirect method.

d. Corporate Income Tax

Current tax expense is provided based on the estimated taxable income for the year. Deferred tax assets and liabilities (if any) are recognized for temporary differences between the financial and the tax basis of assets and liabilities at each reporting date. Future tax benefits, such as the carry-forward to unused tax losses, are also recognized to the extent that realization of such benefits is probable.

Deferred tax assets and liabilities are measured by using the tax rates which are expected to be applied in the period when asset is realized or liability is settled, based on tax rates (and tax laws) which have been enacted or substantively enacted at the financial positions date.

3. CASH EQUIVALENT

	<u>2021</u>	<u>2020</u>
Bank DKI	9.533.119	10.269.862
Total Cash Equivalent	<u>9.533.119</u>	<u>10.269.862</u>

Cash equivalent consist of cash in Bank DKI. The account is not being pledged as collateral for borrowings nor restricted.

4. TAXATION

	<u>2021</u>	<u>2020</u>
Current tax expense	<u>-</u>	<u>-</u>

This account represent the Corporate income tax article 29 for the year ended December 31, 2020 and 2019. The calculation of the tax are provided below:

Current Tax

Reconciliation report of net income accumulated during the development stage based on income statement and tax policy which would be ended on December 31, 2020 and 2019 were provided as follows:

	<u>2021</u>	<u>2020</u>
Net Income (Loss) before tax	(736.743)	(685.524)
Reconciling item:		
Time Difference		
Unrealized Gain/Loss on Forex	-	-
Permanent Difference		
Bank Charges	851.220	840.180
Taxable Income (Loss)	<u>114.477</u>	<u>154.656</u>
Taxable Income (Loss) - Rounded Down	114.000	154.000
Taxable Loss Compensation	(9.082.820.000)	(9.082.974.000)
Taxable Income (Loss) after compensation	<u>(9.082.706.000)</u>	<u>(9.082.820.000)</u>
Current tax expense	<u>-</u>	<u>-</u>

PT ISMT RESOURCES**NOTES TO FINANCIAL STATEMENTS (Continued)**

As of December 31, 2021 and for the year then ended

(Amount stated in Rupiah, unless otherwise stated)

4. TAXATION (Continued)

The calculation of current tax expense are provided below:

	<u>2021</u>	<u>2020</u>
Taxable Income (Loss) after compensation	(9.082.706.000)	(9.082.820.000)
Corporate Income Tax Rate	12,50%	12,50%
The amount of income tax payable	-	-
Installment of Tax Liabilities - Article 25	-	-
*Income tax payable under (over) payment (Tax Article 29)	-	-

5. SHAREHOLDER'S EQUITY

Based on the Circular Resolution in Lieu of General Meeting of Shareholders dated October 29, 2010 which effective on December 22, 2010, the details of share ownership as of December 31, 2021 and 2020 were as follows:

Shareholders	<u>2021</u>			
	Number of Shares	Percentage of Ownership	Par Value (Rp)	Amount (Rp)
1. Tridem Port and Power Company Private Limited	999	99,90%	8.929.000	8.920.071.000
2. Narayan Vithal Karbhase	1	0,10%	8.929.000	8.929.000
Total	<u>1.000</u>	<u>100,00%</u>		<u>8.929.000.000</u>
Shareholders	<u>2020</u>			
	Number of Shares	Percentage of Ownership	Par Value (Rp)	Amount (Rp)
1. Tridem Port and Power Company Private Limited	999	99,90%	8.929.000	8.920.071.000
2. Narayan Vithal Karbhase	1	0,10%	8.929.000	8.929.000
Total	<u>1.000</u>	<u>100,00%</u>		<u>8.929.000.000</u>

6. OTHER INCOME/(EXPENSES)

	<u>2021</u>	<u>2020</u>
Unrealized Gain/Loss on Forex	114.477	154.656
Bank Charges	(851.220)	(840.180)
Total Other Income (Expenses)	<u>(736.743)</u>	<u>(685.524)</u>

Realized Gain (Loss) on Foreign Exchange as of December 31, 2021 occurred from changes of the difference between exchange rate as at December 31, 2021 (Rp14.269) and exchange rate as at December 31, 2020 (Rp14.105). Exchange rate on statements of comprehensive income is using Bank Indonesia average middle rate in 2021 as at Rp14.187.

7. FINANCIAL STATEMENTS APPROVAL

The Entity's management has approved and responsible for the preparation of the Entity Financial Statements which was completed on April 18, 2021.

PT ISMT RESOURCES

NOTES TO FINANCIAL STATEMENTS (Continued)
As of December 31, 2021 and for the year then ended
(Amount stated in Rupiah, unless otherwise stated)

4. TAXATION (Continued)

The calculation of current tax expense are provided below:

	<u>2021</u>	<u>2020</u>
Taxable Income (Loss) after compensation	(9.082.706.000)	(9.082.820.000)
Corporate Income Tax Rate	12,50%	12,50%
The amount of income tax payable	-	-
Installment of Tax Liabilities - Article 25	-	-
*Income tax payable under (over) payment (Tax Article 29)	-	-

5. SHAREHOLDER'S EQUITY

Based on the Circular Resolution in Lieu of General Meeting of Shareholders dated October 29, 2010 which effective on December 22, 2010, the details of share ownership as of December 31, 2021 and 2020 were as follows:

Shareholders	<u>2021</u>			
	Number of Shares	Percentage of Ownership	Par Value (Rp)	Amount (Rp)
1. Tridem Port and Power Company Private Limited	999	99,90%	8.929.000	8.920.071.000
2. Narayan Vithal Karbhase	1	0,10%	8.929.000	8.929.000
Total	<u>1.000</u>	<u>100,00%</u>		<u>8.929.000.000</u>
Shareholders	<u>2020</u>			
	Number of Shares	Percentage of Ownership	Par Value (Rp)	Amount (Rp)
1. Tridem Port and Power Company Private Limited	999	99,90%	8.929.000	8.920.071.000
2. Narayan Vithal Karbhase	1	0,10%	8.929.000	8.929.000
Total	<u>1.000</u>	<u>100,00%</u>		<u>8.929.000.000</u>

6. OTHER INCOME/(EXPENSES)

	<u>2021</u>	<u>2020</u>
Unrealized Gain/Loss on Forex	114.477	154.656
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