PT Waka Oberoi Indonesia

BOARD

Mr. I Ketut Siandana
Mr. Rajaraman Shankar
Mr. I Wayan Pasek

AUDITORS

Purwantono, Sungkaro & Surja
A member firm of Ernst & Young Global Limited
Indonesia Stock Exchange Building
Tower 2, 7th Floor,
Jl. Jend. Sudirman Kav. 52-53
Jakarta 12190,
Indonesia

REGISTERED OFFICE

Patai Medana,
Desa Sigar Penjalin-
Tangung-Lombok Utara-NTB
Indonesia

Report of the Directors

We present the report and the audited financial statements of PT Waka Oberoi Indonesia ("the Company") for the year ended March 31, 2024.

PRINCIPAL ACTIVITY

The principal activity of the Company is hotel ownership and management.

RESULTS

The Company's financial position and results of operations as of and for the year ended March 31, 2024 are set out in the financial statements on pages 1 to 5 preceded by the independent auditors' report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS

We are responsible for the preparation and the presentation of the financial statements, and keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We are also responsible for the Company's internal control systems and safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In preparing the financial statements of the Company, we are required to:

- select suitable accounting policies and then apply them consistently;
- prepare and present the financial statements in accordance with Indonesian Financial Accounting Standards;
- make judgments and estimates that are reasonable and prudent;

We confirm that we have complied with the above requirements in preparing the financial statements and all information contained in the financial statements are complete and correct. The financial statements do not contain or omit misleading information and/or facts.

This statement letter is made truthfully.

Bali, May 10, 2024

On behalf of the Board of Directors

I Wayan Pasek
President Director

Office address: Jl. Kayu Aya, Seminyak Beach, Kuta-Badung
Domicile address: Jl. Sarigading Gg. Gadingmas 9/15, Denpasar
Telephone number: (0361) 730951

Independent Auditor’s Report

Report No. 01308/2.1032/AU.1/10/1175-9/1/V/2024

The Shareholders and the Boards of Commissioners and Directors PT Waka Oberoi Indonesia

OPINION

We have audited the accompanying financial statements of PT Waka Oberoi Indonesia (“the Company”), which comprise the statement of financial position as of March 31, 2024, and the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2024, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

BASIS FOR OPINION

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants (“IICPA”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Company in accordance with the ethical requirements relevant to our audit of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER MATTER

Our audit was conducted for the purpose of forming an opinion on the basic Indonesian rupiah financial statements taken as a whole. The translations of the Indonesian rupiah amounts into United States Dollar have been made on the basis set forth in Note 2n to the financial statements and are presented for purposes of additional analysis only and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and, accordingly, we do not express an opinion thereon.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease its operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing established by the IICPA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing established by the IICPA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to such risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of the Company’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our audit opinion. Our conclusion is based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KAP Purwantono, Sungkoro & Surja

TJOA TJEK NIEN
Public Accountant Registration No. AP.1175

May 10,2024

Statement of Financial Position

As of 31 March, 2024

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

				Translations into U.S. Dollar ($)	
		Indonesian Rupiah		Unaudited (Note 2n)	
	Notes	As at 31 March, 2024	As at 31 March, 2023	As at 31 March, 2024	As at 31 March, 2023
ASSETS					
CURRENT ASSETS					
Cash on hand and in banks	2c, 2o, 4, 23,24	4,844,939,971	3,103,414,507	305,617	206,043
Trade receivable	5	1,617,949,503	451,693,788	102,060	29,989
Inventories	2e,6	1,166,410,667	1,344,254,322	73,577	89,248
Prepayments and advances	2f,7	2,384,552,102	1,796,430,695	150,416	119,269
Other current financial assets	2o,23,24	35,804,656	18,336,387	2,259	1,217
TOTAL CURRENT ASSETS		**10,049,656,899**	**6,714,129,699**	**633,929**	**445,766**
NON-CURRENT ASSETS					
Fixed assets - net	2g,8	43,704,028,757	46,519,560,726	2,756,830	3,088,538
Other non-current financial assets	2o, 23	126,615,000	126,615,000	7,987	8,406
TOTAL NON-CURRENT ASSETS		**43,830,643,757**	**46,646,175,726**	**2,764,817**	**3,096,944**
TOTAL ASSETS		**53,880,300,656**	**53,360,305,425**	**3,398,746**	**3,542,710**
LIABILITIES AND EQUITY					
LIABILITIES					
CURRENT LIABILITIES					
Trade payables	2o, 9, 23, 24	1,886,061,854	724,490,510	118,972	48,101
Other payables - Third parties	2o, 10, 23, 24	757,017,289	377,190,240	47,752	25,043
Taxes payable	2m,11a	1,013,660,247	292,912,517	63,941	19,447
Accrued expenses	2o,12,23, 2d, 2o	4,175,163,394	3,446,025,102	263,367	228,789
Due to related parties	13, 23, 24	45,324,807,511	48,812,889,926	2,859,068	3,240,797
Due to hotel operator	13, 23, 24	255,098,542	-	16,091	-
Reserve for replacement of furniture, fixtures and equipment	2i,14	6,114,211,892	6,954,964,435	385,682	461,756
Other current financial liabilities	2o,15,23, 24	4,099,174,706	3,430,087,505	258,578	227,730
TOTAL CURRENT LIABILITIES		**63,625,195,435**	**64,038,560,235**	**4,013,451**	**4,251,663**
NON-CURRENT LIABILITY					
Employee benefits liability	2j,16	4,372,119,143	3,539,486,014	275,791	234,994
TOTAL LIABILITIES		**67,997,314,578**	**67,578,046,249**	**4,289,242**	**4,486,657**
CAPITAL DEFICIENCY					
Capital stock A series - Rp180,000 par value Authorized, issued and fully paid - 129,385 shares	17	23,289,300,000	23,289,300,000	11,450,000	11,450,000
Capital stock B series - Rp750,000 par value Authorized, issued and fully paid - 461,359 shares	17	346,019,250,000	346,019,250,000	26,016,500	26,016,500
Additional paid-in capital	2m	385,000,000	385,000,000	28,902	28,902
Other comprehensive loss Re-measurement loss on long-term employee benefits liability		(1,259,702,883)	(728,693,602)	(91,989)	(58,493)
Translation adjustment	2n	-	-	(6,379,512)	(6,267,105)
Deficit		(382,550,861,039)	(383,182,597,222)	(31,914,397)	(32,113,751)
CAPITAL DEFICIENCY		**(14,117,013,922)**	**(14,217,740,824)**	**(890,496)**	**(943,947)**
TOTAL LIABILITIES NET OF CAPITAL DEFICIENCY		**53,880,300,656**	**53,360,305,425**	**3,398,746**	**3,542,710**

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

Statement of profit or loss
And other comprehensive income

For the Year Ended 31 March, 2024

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

				Translations into U.S. Dollar ($)	
		Indonesian Rupiah		Unaudited (Note 2n)	
		Year Ended 31 March,		Year Ended 31 March,	
	Note	2024	2023	2024	2023
DEPARTMENTAL REVENUES	2k,18				
Rooms		35,392,070,320	15,227,568,494	2,300,278	1,008,910
Food and beverages		20,594,960,470	8,376,633,132	1,338,552	554,998
Other operating departments		3,774,314,138	1,498,325,000	245,309	99,272
Others		1,368,347,861	320,456,700	88,934	21,232
Total Departmental Revenues		**61,129,692,789**	**25,422,983,326**	**3,973,073**	**1,684,412**
COST OF REVENUES	2k,19	**(26,284,454,930)**	**(13,869,371,337)**	**(1,708,339)**	**(918,922)**
GROSS PROFIT (LOSS)		**34,845,237,859**	**11,553,611,989**	**2,264,734**	**765,490**
HOTEL OPERATING EXPENSES	2k				
General and administrative expenses	20	(6,746,324,532)	(5,597,299,621)	(438,472)	(370,852)
Property operations, maintenance and energy expenses	21	(10,527,458,722)	(8,289,247,358)	(684,223)	(549,208)
Marketing expenses	22,25	(4,304,467,249)	(2,318,892,585)	(279,765)	(153,639)
Total Hotel Operating Expenses		**(21,578,250,503)**	**(16,205,439,564)**	**(1,402,460)**	**(1,073,699)**
HOTEL GROSS OPERATING PROFIT (LOSS)		**13,266,987,356**	**(4,651,827,575)**	**862,274**	**(308,209)**
OWNER'S OPERATING INCOME (EXPENSES)	2k				
Depreciation and amortization		(3,645,680,527)	(4,190,921,402)	(236,948)	(277,672)
Foreign exchange (loss) gain - net	2n	(2,435,574,342)	(1,920,663,930)	-	-
Management fee		(1,658,373,419)	-	(107,785)-	-
Insurance		(1,552,615,547)	(1,424,642,872)	100,911)	(94,390)
Professional fees		(1,486,621,946)	(1,220,487,503)	(96,622)	(80,864)
Salaries and wages		(809,779,213)	(528,969,916)	(52,631)	(35,047)
Taxes		(874,985,067)	(190,441,863)	(56,869)	(12,618)
Finance income		352,448	130,262	23	9
Other operating expense– net		(171,973,560)	(116,513,632)	(11,177)	(7,720)
Owner's Operating Expenses - Net		**(12,635,251,173)**	**(9,592,510,856)**	**(662,920)**	**(508,302)**
INCOME (LOSS) BEFORE INCOME TAXES		**631,736,183**	**(14,244,338,431)**	**199,354**	**(816,511)**
Income tax benefit (expense)	2m,11b	-	(2,350,874,422)	-	(155,758)
NET INCOME (LOSS) FOR THE YEAR		**631,736,183**	**(16,595,212,853)**	**199,354**	**(972,269)**
OTHER COMPREHENSIVE INCOME (LOSS)					
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods: Re-measurement gain (loss) long-term employment benefits liability- net of tax		(531,009,281)	19,339,435	(33,496)	1,284
Other comprehensive income (loss) to be reclassified to profit or loss in subsequentperiods: Translation adjustment		-	-	(112,407)	(137,305)
NET COMPREHENSIVE INCOME (LOSS) FOR THE YEAR		**100,726,902**	**(16,575,873,418)**	**53,451**	**(1,108,290)**

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

Statement of Changes in Equity

For the Year Ended 31 March, 2024

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

		Indonesian Rupiah				
	Note	Capital Stock	Additional Paid in Capital	Other Comprehensive Loss	Deficit	Equity (Capital Deficiency)
Balance as of 31 March, 2022		**369,308,550,000**	**385,000,000**	**(748,033,037)**	**(366,587,384,369)**	**2,358,132,594**
Loss for the year		-	-	-	(16,595,212,853)	(16,595,212,853)
Re-measurement gain (loss) on long-term employee benefits liability	16	-	-	19,339,435	-	19,339,435
Balance as of 31 March, 2023		**369,308,550,000**	**385,000,000**	**(728,693,602)**	**(383,182,597,222)**	**(14,217,740,824)**
Income for the year		-	-	-	631,736,183	631,736,183
Re-measurement gain (loss) on long-term employee benefits liability	16	-	-	(531,009,281)	-	(531,009,281)
Balance as of 31 March, 2024		**369,308,550,000**	**385,000,000**	**(1,259,702,883)**	**(382,550,861,039)**	**(14,117,013,922)**

		Translations into U.S. Dollar - Unaudited (Note 2n)					
	Note	Capital Stock	Additional Paid in Capital	Other Comprehensive Loss	Deficit	Translation Adjustment (Note 2n)	Equity (Capital Deficiency)
Balance as of March 31, 2022		**37,466,500**	**28,902**	**(59,777)**	**(31,141,482)**	**(6,129,800)**	**164,343**
Loss for the year		-	-	-	(972,269)	-	(972,269)
Re-measurement gain (loss) on long-term employee benefits liability	16	-	-	1,284	-	-	1,284
Translation adjustment		-	-	-	-	(137,305)	(137,305)
Balance as of March 31, 2023		**37,466,500**	**28,902**	**(58,493)**	**(32,113,751)**	**(6,267,105)**	**(943,947)**
Income for the year		-	-	-	199,354	-	199,354
Re-measurement gain (loss) on long-term employee benefits liability	16	-	-	(33,496)		-	(33,496)
Translation adjustment		-	-	-	-	(112,407)	(112,407)
Balance as of March 31, 2024		**37,466,500**	**28,902**	**(91,989)**	**(31,914,397)**	**(6,379,512)**	**(890,496)**

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

Statement of Cash Flows

For the Year Ended 31 March, 2024

(Expressed in Rupiah, unless otherwise stated, with Translations into United States Dollar)

	Notes	Indonesian Rupiah Year Ended March 31, 2024	Indonesian Rupiah Year Ended March 31, 2023	Translations into U.S. Dollar ($) Unaudited (Note 2n) Year Ended March 31, 2024	Translations into U.S. Dollar ($) Unaudited (Note 2n) Year Ended March 31, 2023
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) before income tax		631,736,183	(14,244,338,431)	199,354	(816,511)
Adjustments to reconcile Income (loss) before income tax for the year to net cash provide by (used in) operating activities:					
Depreciation and amortization	8	3,645,680,527	4,190,921,403	236,948	277,672
Provision for replacement of furniture, fixtures and equipment	14	1,833,890,784	762,689,500	119,192	50,532
Provision for international sales marketing	13	199,022,689	92,668,951	12,145	6,065
Provision for employee benefits net of benefit payments	16	301,623,848	(816,002,996)	19,957	(64,763)
Unrealized loss (gain) on foreign exchange		2,435,574,342	1,920,663,930	-	-
Changes in operating asset and liabilities:					
Trade receivables		(1,166,255,715)	(451,693,788)	(72,071)	(29,989)
Inventories		177,843,655	(349,742,304)	15,671	(19,939)
Prepayments and advances		(588,121,407)	(50,888,923)	(31,147)	2,380
Other current financial assets		(17,468,269)	(3,434,769)	(1,042)	(179)
Trade payables		1,161,571,344	(36,795,675)	70,871	(4,954)
Other payables		379,827,049	148,239,266	22,709	18,755
Accrued expenses		714,792,940	537,739,551	34,578	25,207
Taxes payable		720,747,730	107,932,622	44,494	6,556
Security deposit		-	-	419	418
Due to Hotel Operator		255,098,542	107,932,622	16,091	-
Other current liabilities		669,087,201	2,779,798,137	30,848	180,211
Net Cash Flows Used in Operating Activities		**11,354,651,443**	**(5,412,243,526)**	**719,017**	**(368,539)**
CASH FLOWS FROM INVESTING ACTIVITIES					
Acquisitions of fixed assets	8	(830,148,558)	(1,780,970,623)	(53,955)	(118,000)
Utilization of reserve for replacement of furniture, fixtures and equipment	14	(2,674,643,327)	(765,427,560)	(171,600)	(50,657)
Total Cash Used in Investing Activities		**(3,504,791,885)**	**(2,546,398,183)**	**(225,555)**	**(168,657)**
CASH FLOWS FROM FINANCING ACTIVITIES					
Net receipts from (payment to) related parties	13, 27	(6,172,787,186)	9,900,427,517	(393,888)	659,240
NET INCREASE IN CASH ON HAND AND IN BANKS		**1,677,072,372**	**1,941,785,808**	**99,574**	**122,044**
NET EFFECT OF DIFFERENCES IN FOREIGN EXCHANGE RATES		**64,453,092**	**(43,666,959)**	**-**	**-**
CASH ON HAND AND IN BANKS AT BEGINNING OF YEAR	4	**3,103,414,507**	**1,205,295,658**	**206,043**	**83,999**
CASH ON HAND AND IN BANKS AT END OF YEAR	4	**4,844,939,971**	**3,103,414,507**	**305,617**	**206,043**

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

Notes to The Financial Statements

March 31, 2024 and for the Year Then Ended
(Expressed in Rupiah, unless otherwise stated with Translations into United States Dollar)

1. GENERAL

PT Waka Oberoi Indonesia (the "Company") was established within the framework of the Foreign Capital Investment Law No. 1 of 1967 as amended by Law No. 11 of 1970 based on notarial deed No. 225 dated November 26, 1992 of Siti Pertiwi Henny Shidki, S.H. The deed of establishment was approved by the Ministry of Justice in its decision letter No. C2-1631.HT.01.01.TH.93 dated March 13, 1993 and was published in Supplement No. 2313 of State Gazette No. 42 dated May 25, 1993.

The Company's Article of Association has been amended several times, the latest amendment of which was covered by the notarial deed No.01 dated November 01, 2023 of Dewa Ayu Agung Dewi Utami, SH. M.Kn, regarding the composition of Board of Commissioners and Directors. The latest amendment was reported to the Ministry of Law and Human Rights of the Republic of Indonesia and was acknowledged in its letter No. AHU-AH.01.09-0184505 dated November 14, 2023.

According to Article 3 of the Company's articles of association, the Company is engaged in activities related to providing accommodation and providing food and beverages and other services. The Company is domiciled in North Lombok Regency, West Nusa Tenggara and owns The Oberoi Lombok Hotel (the "Hotel") located in West Nusa Tenggara, which started commercial operations in April 1997. On March 19, 2019, EIH Management Services B.V assigned EIH Holdings Ltd. to manage the hotel operations up to year 2034 with option to extend for 20 years.

The composition of the Company's Boards of Commissioners and Directors as of March 31, 2024 and 2023 are as follows:

	2024	2023
Board of Commissioners		
President Commissioner	: Sudarshan Rao	Sudarshan Rao
Commissioner	: Ida Bagus Gede Yudana	Ida Bagus Gede Yudana
Board of Directors		
President Director	: I Wayan Pasek	I Wayan Pasek
Director	: I Ketut Siandana	I Ketut Siandana
Director	Rajaraman Shankar	Deepak Madhok

The Company employed a total of 93 and 83 permanent employees as of March 31, 2024 and 2023, respectively (unaudited).

The management of the Company is responsible for the preparation and presentation of the accompanying financial statements that were completed and authorized for issuance by the Board of Directors on May 10, 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION

a. Basis of Preparation of the Financial Statements

The financial statements have been prepared and presented in accordance with Indonesia Financial Accounting Standards ("SAK"), "), which comprise the Statements and Interpretations issued by the Financial Accounting Standards Board of the Institute of Indonesia Chartered Accountants (Dewan Standar Akuntansi Keuangan Ikatan Akuntan Indonesia or DSAK IAI).

Except for the statement of cash flows, the financial statements have been prepared on the accrual concept, using the historical cost concept of accounting, except for certain accounts which are measured on the bases described in the related accounting policies for those accounts.

The statement of cash flows, which has been prepared using the indirect method, presents cash receipts and disbursements of cash and cash equivalents into operating, investing and financing activities.

The company's functional currency is the Indonesian rupiah, which is also the currency used in the preparation of the financial statements, with translations into unaudited United States dollar.

The financial reporting period of the Company is April 1 to March 31.

b. Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

i) expected to be realized or intended to be sold or consumed in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) expected to be realized within 12 months after the reporting period, or

iv) cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

i) expected to be settled in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) due to be settled within twelve months after the reporting period, or

iv) there is no right at the end of reporting period to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

c. Cash on Hand and in Banks

Cash on hand and in banks, in the statement of financial position comprise cash on hand and in banks which are not restricted to use, and subject to an insignificant risk of changes in value .

d. Transactions with Related Parties

The Company has transactions with certain parties which have related party relationships as defined under PSAK 7, "Related Party Disclosures".

The transactions are made based on terms agreed by the parties, whereas such terms may not be the same as those for transactions with unrelated parties.

All significant transactions and balances with related parties are disclosed in the relevant notes to the financial statements. Unless specifically identified as related parties, the parties disclosed in the Notes to the financial statements are unrelated parties.

e. Inventories

Inventories are valued at the lower of cost or net realizable value. Except for boutique inventories (which use the First-In First Out method), the cost is determined using the weighted-average method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale. Allowance for decline in market value and obsolescence of inventories, if any, is provided to reduce the carrying value of inventories to their net realizable values based on the review of the market value and physical condition of the inventories.

f. Prepayments

Prepayments are amortized and charged to operations over the periods benefited using the straight- line method. The portion to be amortized within one year is presented as part of current assets, otherwise, as non-current assets.

g. Fixed Assets

Fixed assets, except land which is stated at cost and not depreciated, are stated at cost less accumulated depreciation and impairment loss, if any. The cost of fixed assets includes: (a) purchase price, (b) any costs directly attributable to bringing the asset to its present location and condition, and (c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, if any. Each part of an item of fixed assets with a cost that is significant in relation to the total cost of the item should be depreciated separately.

When significant renewals and betterments are performed, their costs are 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 directly to current operations.

Depreciation commences once the assets are available for their intended use and is computed using the straight-line method over the estimated useful lives of the assets, as follows:

	Years
Buildings	20
Structures and improvements	10
Machinery and equipment	8
Furniture, fixtures and equipment	5
Motor vehicles	5

Land is stated at cost and is not depreciated.
The costs incurred in order to acquire legal rights over land in the form of "Hak Guna Usaha" (HGU), "Hak Guna Bangunan" (HGB) or "Hak Pakai" (HP) upon initial acquisition of land are recognized as part of the acquisition cost of the land and are not amortized. Meanwhile, costs incurred in connection with the extension or renewal of the above rights are recognized as intangible asset (presented as part of "Other non-current assets" in the statement of financial position) and are amortized throughout the validity period of the rights or the economic useful life of the land, whichever period is shorter.

Construction in progress represents the accumulated cost of materials and other costs related to the asset under construction. The accumulated cost will be reclassified to the appropriate fixed asset account when the construction is completed and the constructed asset is ready for its intended use.

The carrying amount of 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 from the 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 current operations in the period when the asset is derecognized.

h. Impairment of Non-financial Assets

The Company assesses at each annual reporting period whether there is an indication that an asset may be impaired. If any such indication exists, the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of the asset's or its cash-generating unit's (CGU's) fair value less costs to sell and its value in use, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses of continuing operations are recognized in the statement of profit or loss and other comprehensive income as "impairment losses". In assessing the value in use, the estimated net future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If no such transactions can be identified, an appropriate valuation model is used to determine the fair value of the asset. These calculations are corroborated by valuation multiples or other available fair value indicators.

In determining fair value less costs to sell, recent market transactions are taken into account, if available. Impairment losses of continuing operations, if any, are recognized in the statement of profit or loss and other comprehensive income under expense categories that are consistent with the functions of the impaired assets.

An assessment is made at each annual reporting period as to whether there is any indication that previously recognized impairment losses recognized for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognized impairment loss for an asset is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Reversal of an impairment loss is recognized in the statement of profit or loss and other comprehensive income. After such a reversal, the depreciation charged on the said asset is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

i. Provisions and Contingencies

A provision is recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

All provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligations, the provisions are reversed.

Contingent liabilities are not recognized in the financial statement but are disclosed in the notes to the financial statements unless the outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements but are disclosed in the notes to financial statements when an inflow of economic benefits is probable.

j. Employee Benefits Liability

<u>Short-term employee benefits</u>

The Company recognizes short-term employee benefits liability when services are rendered and the compensation for such services are to be paid within twelve months after rendering such services. The liability is presented as part of "Accrued expenses" in the statement of financial position.

<u>Post-employment benefits</u>

The Company provides defined employee benefits to its employees in accordance with the requirements of Law Number 6 Year 2023 "Penetapan Peraturan Pemerintah Pengganti Undang-Undang Nomor 2 Tahun 2022 tentang Cipta Kerja menjadi Undang-Undang" about the minimum employee service entitlements.

Pension costs under the Company's defined benefit pension plans are determined by periodic actuarial calculation using the projected-unit-credit method and applying the assumptions on discount rate and annual rate of increase in compensation.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding the amounts included in the net interest on the net defined benefit liability and the return on plan assets (excluding the amounts, included in net interest on the net defined benefit liability) are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss at the earlier between:

i) the date of the plan amendment or curtailment, and
ii) the date the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation under "Cost of Revenue" and "Hotel Operating Expenses" as appropriate in the statement profit or loss and other comprehensive income:

i) Service costs comprising current service costs, past-service costs, gains or losses on curtailments and non-routine settlements, and

ii) Net interest expense or income

k. Revenue and Expense Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates and Value-Added Taxes ("VAT").

Hotel room revenue is recognized based on room occupancy while other hotel revenues are recognized when the goods are delivered or services are rendered to the customers.

Expenses are recognized when they are incurred.

l. Foreign Currency Transactions and Balances

Transactions involving foreign currencies are recorded at the rates of exchange prevailing at the time the transactions are made. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are adjusted to reflect the average buying and selling rates of exchange published by Bank Indonesia at the last banking transaction date of the year. The resulting gains or losses are credited or charged to current operations.

As of March 31, 2024 and 2023, the rates of exchange used were Rp15,853 and Rp15,062, respectively, to US$1.

m. Taxation

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authority. Current tax expense is determined based on the taxable profit for the year computed using the prevailing tax rates.

Underpayment/overpayment of income tax are presented as part of "Income tax expense" in the statement of profit or loss and other comprehensive income. Interests and penalties are presented as part of other operating income or expenses since they are not considered as part of the income tax expense.

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

Deferred tax

Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profits will be available against which deductible temporary differences, and the carry forward of unused tax losses can be utilized, except:

i) where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

ii) in respect of deductible temporary differences associated with investments in subsidiaries, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted as at the reporting date.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes a previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current period operations, except to the extent that they relate to items previously charged or credited to equity.

Deferred tax assets and liabilities are offset in the statement of financial position, except if they are for different legal entities, consistent with the presentation of current tax assets and liabilities.

Value added tax ("VAT")

Revenues, expenses and assets are recognized net of the amount of VAT except:

- Where the VAT incurred on a purchase of assets or services is not recoverable from the Tax Office, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and payables that are stated with the amount of VAT included.

Final Tax

Tax regulation in Indonesia determined that certain taxable income is subject to final tax. Final tax applied to the gross value of transactions is applied even when the parties carrying the transaction are recognizing losses.

Referring to revised PSAK 46 as mentioned above, final tax is no longer governed by PSAK 46. Therefore, the Company has decided to present all of the final tax arising from interest income as separate line item.

n. Translations of Indonesian Rupiah Amounts into United States (U.S.) Dollar

The financial statements are stated in Indonesian rupiah, the currency of the country in which the Company operates. The translations of Indonesian rupiah amounts into U.S. dollar were made at the following rates:

Assets and liabilities	- Middle rate as of reporting date (Rp15,853 to US$1 and Rp15,062 to US$1 as last quoted by Bank Indonesia as of March 31, 2024 and 2023, respectively).
Capital stock	- Historical rates
Revenue and expense accounts	- Average exchange rates

The resulting difference arising from the translations of the statement of financial position and statement of profit or loss and other comprehensive income accounts is presented as "Translation adjustment" under the equity section of the statement of financial position.

o. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under PSAK 72.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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 trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

  The Company only has financial assets subsequently measured at amortized cost (debt instruments)

Financial assets at amortized cost (debt instruments)

This category is the most relevant to the Company. The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and,
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes other current financial assets and other non-current financial assets.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or,
- 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.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

ii. Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, other payables, accrued expenses, due to related parties, due to hotel operator and other current financial liabilities.

Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PSAK 71. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognized in profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in PSAK 71 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

Loans and borrowings

Subsequent to initial recognition, long-term interest-bearing loans and borrowings are measured at amortized acquisition costs using EIR method. At the reporting dates, accrued interest is recorded separately from the associated borrowings within the current liabilities section. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss and other comprehensive income.

Payables and Accruals

Liabilities for current trade and other accounts payable, accrued expenses and short-term employee benefit liability are stated at carrying amounts (notional amounts), which approximate their fair values.

Derecognition

A financial liability is derecognized when the obligation under the contract is discharged or cancelled or expires.

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 derecognition of the original liability and recognition of a new liability, and the difference in the respective carrying amounts is recognized in the profit or loss.

iii. Offsetting of financial instruments

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

p. Adoption of Amendments and Improvements to PSAK

The Company has adopted several amendments and improvements to PSAK and new ISAK that are mandatory for application effective April 1, 2023. The adoption of the following amendments and improvements to PSAK and new ISAK did not result in substantial changes to the Company's accounting policies and had no material effect on the amounts reported for the current or prior financial periods:

a. Amendment of PSAK 1: Presentation of financial statement - Disclosure of accounting policies

This amendments provide guidance to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

b. Amendment of PSAK 16: Fixed Assets - Proceeds before Intended Use

The amendments prohibit entities from deducting from the cost of an item of fixed assets, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in the profit or loss.

The Company applies the amendments retrospectively only to items of fixed assets made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment.

These amendments had no impact on the financial statements of the Company as there were no sales of such items produced by fixed assets made available for use on or after the beginning of the earliest period presented.

c. Amendment of PSAK 25: Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates

The amendments to PSAK 25 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Comapany's financial statements.

d. Amendment of PSAK 46: Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction

The amendments to PSAK 46 Income Taxes narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

The amendments had no impact on the Company's financial statements.

e. Amendment of PSAK 46: Income Taxes - International Tax Reform - Pillar Two Model Rules

The amendments to PSAK 46 have been introduced in response to the Pillar Two Rules, issued by Organization for Economic Co-operation and Development (OECD), and include:

- An exception to the recognition and disclosure of deferred taxes related to the Pillar Two income taxes; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

As of March 31, 2024, the Pillar Two income taxes legislation has not yet been enacted or has not yet substantively enacted in Indonesia where the Company operates. Therefore, the Company is still in the process of assessing the potential exposure to Pillar Two income taxes. The potential exposure, if any, to Pillar Two income taxes is currently not known or reasonably estimable.

3. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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 date. However, uncertainty about these assumptions and estimates could result in outcomes in future periods that require material adjustment to the carrying amounts of the assets or liabilities affected in future periods.

Judgments

The following judgments are made by management in the process of applying the Company's accounting policies that have the most significant effects on the amounts recognized in the financial statements:

Determination of Functional Currency

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the Company has been determined to be the Indonesian rupiah. The Indonesian rupiah is the currency of the primary economic environment in which the Company operates and the currency that mainly influences revenue, costs and expenses.

Classification of Financial Assets and Financial Liabilities

The Company determines the classifications of certain assets and liabilities as financial assets and financial liabilities by judging if they meet the definition set forth in PSAK No.71. Accordingly, the financial assets and financial liabilities are accounted for in accordance with the Company's accounting policies disclosed in Note 2o.

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period that may cause a material adjustment to the carrying amounts of assets and liabilities in future periods are disclosed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions as they occur.

Estimates and Assumptions

Provision for expected credit losses of trade receivables and other current financial assets

The Company uses a provision matrix to calculate ECLs for trade receivables and other current financial assets. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Company's historical observed default rates. The Company will calibrate the matrix to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions (i.e., gross domestic product) are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

Estimation of Employee Benefits Liability

The pension cost and the present value of the pension obligation are determined using the projected-unit-credit method. Actuarial valuation includes making various assumptions which consist of,among other things, discount rates, expected rates of return on plan assets, rates of compensation increases and mortality rates. Due to the complexity of the valuation and its underlying assumptions and long-term nature, a defined benefit obligation is highly sensitive to changes in assumptions.

While the Company believes that its assumptions are reasonable and appropriate, significant differences in the Company's actual experience or significant changes in its assumptions may materially affect the costs and obligations of pension and other long-term employee benefits. Further details are disclosed in Note 16.

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 at the end of each financial year 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. Further details are disclosed in Note 8.

Allowance for Impairment of Non-Financial Assets

Impairment of a non-financial asset exists if there is an indication that the carrying value of the asset exceeds its recoverable amount, which is the higher of the asset's or its cash-generating unit's (CGU's) fair value less costs to sell. Management estimates the asset's recoverable amount by calculating fair value less costs to sell based on available data from binding sales transactions in arm's length transactions of similar assets or observable market price, less incremental costs to dispose the asset.

Management believes that there is no impairment in values of non-financial assets as of March 31, 2024 and 2023.

Estimation of Tax Liability

In certain circumstances, the Company may not be able to determine the exact amount of its current or future tax liabilities due to ongoing investigations by, or negotiations with, the taxation authority. Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income. In determining the amount to be recognized in respect of an uncertain tax liability, the Company applies similar considerations as it would use in determining the amount of a provision to be recognized in accordance with PSAK No. 57, "Provisions, Contingent Liabilities and Contingent Asset". The Company makes an analysis of all tax positions related to income taxes to determine if a tax liability for unrecognized tax benefit should be recognized.

4. CASH ON HAND AND IN BANKS

Cash on hand and in banks consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Cash on hand Rupiah	167,663,225	99,500,002	10,575	6,606
Cash in banks Rupiah				
PT Bank Central Asia Tbk	3,820,868,964	292,041,376	241,019	19,389
PT Bank Negara Indonesia (Persero) Tbk	676,202,782	1,295,868,800	42,655	86,036
PT Bank Mandiri (Persero) Tbk	55,494,841	55,703,880	3,501	3,698
Sub-total	4,552,566,587	1,643,614,056	287,175	109,123
U.S. dollar				
PT Bank Negara Indonesia (Persero) Tbk	124,710,159	1,334,712,653	7,867	88,615
PT Bank Internasional Indonesia	-	25,587,796	-	1,699
Sub-total	124,710,159	1,360,300,449	7,867	90,314
Total	**4,844,939,971**	**3,103,414,507**	**305,617**	**206,043**

As of March 31, 2024 and 2023, none of the Company's cash on hand and in banks are restricted in use or used as collateral.

5. TRADE RECEIVABLES - THIRD PARTIES

This account consists of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2024	2023	2024	2023
Guest Ledger	725,558,217	214,084,490	45,768	14,213
Travel Agent	716,826,241	262,405,726	45,217	17,422
City Ledger	177,613,561	626,557	11,204	42
Credit Card	32,472,958	-	2,049	-
Allowance for Expected Credit Losses	(34,521,474)	(25,422,985)	(2,178)	(1,688)
Total	**1,617,949,503**	**451,693,788**	**102,060**	**29,989**

The aging analysis of trade receivables - third parties is as follows:

	Translations into US Dollar-Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2024	2023	2024	2023
Current	725,558,217	214,084,490	45,768	14,213
Overdue :				
1-30 days	554,537,769	216,999,407	34,980	14,408
31-60 days	150,070,238	28,981,470	9,467	1,924
61-90 days	222,304,753	17,051,406	14,023	1,132
Total	**1,652,470,977**	**477,116,773**	**104,238**	**31.677**

Based on the review of the status of the individual receivable accounts at the end of the reporting period, management believes that allowance for expected credit losses on trade receivables is adequate to cover possible losses that may arise from uncollected trade receivables.

6. INVENTORIES

Inventories consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Materials and supplies	601,457,731	879,006,777	37,940	58,359
Beverages	312,411,226	220,430,547	19,707	14,635
Food	224,830,716	211,668,760	14,182	14,053
Boutique	25,802,985	32,308,757	1,628	2,145
Tobacco	1,908,009	839,481	120	56
Total	**1,166,410,667**	**1,344,254,322**	**73,577**	**89,248**

Management believes that no allowance for losses is necessary on the inventories as of March 31, 2024 and 2023 since the inventories are fully usable.

7. PREPAYMENTS AND ADVANCES

Prepayments and advances consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Prepaid insurance	1,539,170,482	1,279,578,708	97,090	84,954
Advance purchases	566,170,692	363,881,392	35,714	24,159
Prepaid others	279,210,928	152,970,595	17,612	10,156
Total	**2,384,552,102**	**1,796,430,695**	**150,416**	**119,269**

8. FIXED ASSETS - NET

The details of fixed assets - net are as follows:

	Year Ended March 31, 2024 Indonesian Rupiah				
	Beginning Balance	Additions	Deductions	Reclassification	Ending Balance
Cost					
Land	5,470,511,683	-	-	-	5,470,511,683
Buildings	75,425,350,062	167,334,999	-	-	75,592,685,061
Structures and improvements	5,159,738,740	-	-	-	5,159,738,740
Machinery and equipment	12,618,000,989	-	-	-	12,618,000,989
Furniture, fixtures and equipment	16,690,954,832	662,813,559	-	-	17,353,768,391
Motor vehicles	1,477,743,500	-	-	-	1,477,743,500
Total Cost	**116,842,299,806**	**830,148,558**	**-**	**-**	**117,672,448,364**
Accumulated Depreciation					
Buildings	37,520,474,515	2,470,585,289	-	-	39,991,059,804
Structures and improvements	5,150,561,749	4,787,999	-	-	5,155,349,748
Machinery and equipment	10,466,223,604	597,783,669	-	-	11,064,007,273
Furniture, fixtures and equipment	15,792,802,388	521,483,575	-	-	16,314,285,963

Motor vehicles	1,392,676,824	51,039,995	-	-	1,443,716,819
Total Accumulated Depreciation	70,322,739,080	3,645,680,527	-	-	73,968,419,607
Net Book Value	**46,519,560,726**				**43,704,028,757**

	Year Ended March 31, 2023				
	Indonesian Rupiah				
	Beginning Balance	Additions	Deductions	Reclassification	Ending Balance
Cost					
Land	5,470,511,683	-	-	-	5,470,511,683
Buildings	75,033,510,981	391,839,081	-	-	75,425,350,062
Structures and improvements	5,159,738,740	-	-	-	5,159,738,740
Machinery and equipment	11,751,224,243	866,776,746	-	-	12,618,000,989
Furniture, fixtures and equipment	16,168,600,036	522,354,796	-	-	16,690,954,832
Motor vehicles	1,477,743,500	-	-	-	1,477,743,500
Total Cost	**115,061,329,183**	**1,780,970,623**	**-**	**-**	**116,842,299,806**
Accumulated Depreciation					
Buildings	35,064,475,593	2,455,998,922	-	-	37,520,474,515
Structures and improvements	5,107,632,214	42,929,535	-	-	5,150,561,749
Machinery and equipment	9,913,417,384	552,806,220	-	-	10,466,223,604
Furniture, fixtures and equipment	14,732,522,326	1,060,280,062	-	-	15,792,802,388
Motor vehicles	1,341,636,827	51,039,997	-	-	1,392,676,824
Total Accumulated Depreciation	**66,159,684,344**	**4,163,054,736**	**-**	**-**	**70,322,739,080**
Net Book Value	**48,901,644,839**				**46,519,560,726**

	Year Ended March 31, 2024					
	Translations into U.S. Dollar - Unaudited (Note 2n)					
	Beginning Balance	Additions	Deductions	Reclassification	Translation Adjustment	Ending Balance
Cost						
Land	363,200	-	-	-	(18,122)	345,078
Buildings	5,007,658	10,876	-	-	(250,182)	4,768,352
Structures and improvements	342,567	-	-	-	(17,093)	325,474
Machinery and equipment	837,737	-	-	-	(41,799)	795,938
Furniture, fixtures and equipment	1,108,150	43,079			(56,561)	1,094,668
Motor vehicles	98,111	-	-	-	(4,896)	93,215
Total Cost	**7,757,423**	**53,955**	**-**	**-**	**(388,653)**	**7,422,725**
Accumulated Depreciation			-	-		
Buildings	2,491,069	160,575	-	-	(129,026)	2,522,618
Structures and improvements	341,957	311	-	-	(17,071)	325,197
Machinery and equipment	694,876	38,852	-	-	(35,815)	697,913
Furniture, fixtures and equipment	1,048,520	33,893			(53,315)	1,029,098
Motor vehicles	92,463	3,317	-	-	(4,711)	91,069
Total Accumulated Depreciation	4,668,885	236,948	-	-	(239,938)	4,665,895
Net Book Value	**3,088,538**					**2,756,830**

	Year Ended March 31, 2023					
	Translations into U.S. Dollar - Unaudited (Note 2n)					
	Beginning Balance	Additions	Deductions	Reclassification	Translation Adjustment	Ending Balance
Cost						
Land	381,247	-	-	-	(18,047)	363,200
Buildings	5,229,180	25,962	-	-	(247,484)	5,007,658
Structures and improvements	359,589	-	-	-	(17,022)	342,567
Machinery and equipment	818,958	57,429	-	-	(38,650)	837,737
Furniture, fixtures and equipment	1,126,810	34,609			(53,269)	1,108,150
Motor vehicles	102,986	-	-	-	(4,875)	98,111
Total Cost	**8,018,770**	**118,000**	**-**	**-**	**(379,347)**	**7,757,423**
Accumulated Depreciation						
Buildings	2,443,689	162,723	-	-	(115,343)	2,491,069
Structures and improvements	355,957	2,844	-	-	(16,844)	341,957
Machinery and equipment	690,879	36,626	-	-	(32,629)	694,876
Furniture, fixtures and equipment	1,026,728	70,249			(48,457)	1,048,520
Motor vehicles	93,500	3,382	-	-	(4,419)	92,463
Total Accumulated Depreciation	**4,610,753**	**275,824**	**-**	**-**	**(217,692)**	**4,668,885**
Net Book Value	**3,408,017**					**3,088,538**

The Company's land properties are covered by land rights ownership or Hak Guna Bangunan (HGB) certificate No.2 and No.25 which is valid up to 2024. The management believes that the said titles of land right ownership that will expire in 2024 can be renewed/extended.

Depreciation charged to operations amounted to Rp3,645,680,527 (US$236,948) and Rp4,163,054,736 (US$275,824) for the years ended March 31, 2024 and 2023, respectively. The Company's fixed assets and inventories are covered by insurance against losses from fire and other risks under blanket policies with total coverage amounting to US$24,350,000 (Rp386,020,550,000) and US$24,350,000 (Rp366,759,700,000) in 2024 and 2023, respectively. Further, the Company is also covered by insurance against business interruption under blanket policies with total coverage amounting to US$7,500,000 (Rp118,897,500,000) and US$2,500,000 (Rp37,655,000,000) in 2024 and 2023, respectively. The management believes that the insurance coverage is adequate to cover possible losses arising from such risks.

As of March 31, 2024 and 2023, the management believes that there is no impairment in the value of the Company's fixed assets.

9. TRADE PAYABLES

This account consists mainly liabilities to Hotel's suppliers of goods and services amounting to Rp1,886,061,854 (US$118,972) and Rp724,490,510 (US$48,101) as of March 31, 2024 and 2023.

10. OTHER PAYABLES

This account consists of payables for:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2024	**2023**	**2024**	**2023**
Third Parties				
General reserve	284,179,405	108,034,317	17,926	7,173
Others	472,837,884	269,155,923	29,826	17,870
Total	**757,017,289**	**377,190,240**	**47,752**	**25,043**

11. TAXATION

a. Taxes payable consist of the following:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	March 31,		March 31,	
	2024	**2023**	**2024**	**2023**
Development tax I	399,649,465	157,125,284	25,210	10,432
Value Added Tax	182,421,077	-	11,507	-
Income tax				
Article 21	76,964,671	71,134,049	4,855	4,723
Article 23	349,479,018	59,582,784	22,045	3,956
Article 26	5,146,016	5,070,400	324	336
Total	**1,013,660,247**	**292,912,517**	**63,941**	**19,447**

b. The reconciliation between the estimated tax expense computed by multiplying the loss before income tax by the applicable tax rate and income tax expense as shown in the statement of profit or loss and other comprehensive income is as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	**2025**	**2024**	**2023**
Income (loss) before income tax	631,736,183	(14,244,338,431)	199,354	(816,511)
Estimated tax expense based on prevailing tax rate	138,981,960	(3,133,754,455)	43,858	(179,632)
Net permanent differences at the applicable tax rate	178,406,963	64,719,218	11,821	4,288
Tax effect on changes in tax rate	-	-	-	-
Unrecognized deferred tax assets - net	(317,388,923)	5,419,909,659	(21,029)	359,101
Translation adjustment	-	-	(34,650)	(27,999)
Income tax expenses (benefit)	**-**	**2,350,874,422**	**-**	**155,758**

c. Deferred tax assets
As of March 31, 2024, deferred income tax assets amounting to Rp9,201,734,253 (US$580,441), have not been recognized as management believes that it is not probable that the Company will have sufficient future taxable profits against which these items can be utilized.

d. As of March 31, 2024, the Company received tax assessment letters from the tax office related to underpayment of taxes for fiscal year 2019 and 2020 related to article 23, article 26, article 4 (2) and VAT amounting to Rp37,150,449, Rp113,338,043, Rp82,733,393 and Rp92,563,949, respectively. The Company paid the underpayment of article 23, article 26, article 4 (2) and VAT on April 19, 2024.

12. ACCRUED EXPENSES

The details of accrued expenses due to third parties are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Professional fees	1,240,785,482	1,056,480,655	78,268	70,142
Salaries and allowance	788,702,782	914,346,813	49,751	60,706
Marketing	440,257,158	70,574,136	27,771	4,686
Utilities	283,292,106	219,704,983	17,870	14,587
Human resources	179,367,408	223,310,361	11,314	14,826
Repairs and maintenance	146,444,382	171,108,776	9,238	11,360
Others	1,096,314,076	790,499,378	69,155	52,482
Total	**4,175,163,394**	**3,446,025,102**	**263,367**	**228,789**

13. BALANCES AND TRANSACTIONS WITH RELATED PARTIES

	Indonesian Rupiah		Translations into U.S. Dollar ($) Unaudited (Note 2n)	
	As at March 31,		As at March 31,	
	2024	2023	2024	2023
Due to related parties				
EIH Holdings Ltd.	45,055,976,998	48,649,522,227	2,842,111	3,229,951
PT Widja Putra Karya	268,830,513	163,367,699	16,957	10,846
Due to hotel operator				
EIH Holdings Ltd.	255,098,542	-	16,091	-
Total	**45,579,906,053**	**48,812,889,926**	**2,875,159**	**3,240,797**

For the years ended March 31, 2024 and 2023, the Company received funds from EIH Holdings, Ltd. to support its operations and for working capital requirements amounting to Nil and US$650,000 (Rp9,760,105,000) respectively.

The Company also received funds and operating expenses support from PT Widja Putra Karya for the years ended March 31, 2024 and 2023. As of March 31, 2024 and 2023, due to PT Widja Putra Karya amounting to Rp268,830,513 and Rp163,367,699, respectively.

Salaries and wages of the Company's key management personnel amounted to Rp809,779,213 (US$52,613) and Rp526,120,556 (US$34,602) in 2024 and 2023, respectively.

In the normal course of its business, the hotel has entered into transactions with related parties as follows:

Related parties	Nature of relationships	Type of transactions
PT Widja Putra Karya	Entity under common control	Intercompany advances and share in proceeds from sale of vacation packages, operating expenses
EIH Holdings Ltd.	Parent company	Management fee, payable to finance hotel operations, and international sales promotion

14. RESERVE FOR REPLACEMENT OF FURNITURE, FIXTURES AND EQUIPMENT

The movements of this account are as follows:

	Indonesian Rupiah Year Ended March 31,		Translations into U.S. Dollar ($) Unaudited (Note 2n) Year Ended March 31,	
	2024	2023	2024	2023
Balance at beginning of year	6,954,964,435	6,957,702,495	461,756	484,891
Provision during the year (Note 21)	1,833,890,784	762,689,500	119,192	50,532
Utilization of reserve	(2,674,643,327)	(765,427,560)	(171,600)	(50,657)
Translation adjustment	-	-	(23,666)	(23,010)
Balance at end of year	**6,114,211,892**	**6,954,964,435**	**385,682**	**461,756**

15. OTHER CURRENT FINANCIAL LIABILITIES

This account pertains to guest deposits from customers and travel agents amounting to Rp.4,099,174,706 (US$258,578) and Rp3,430,087,505 (US$227,730) as of March 31, 2024 and 2023, respectively.

16. LONG-TERM EMPLOYEE BENEFITS LIABILITY

The Company's long-term employee benefits liability consists only of post-employment benefits.

Other than the above-mentioned defined contributions retirement plans, the Company has also made additional provisions for employee service entitlements in order to meet the minimum benefits required to be paid to qualified employees, as stipulated under the current Labor Law Number 6 Year 2023.

The management believes the balance of employee benefits liability is sufficient to cover the minimum benefits required under the current Labor Law as of reporting date.

The following tables summarize the components of employee benefit expense recognized in the statement of profit or loss and other comprehensive income and amounts recognized in the statement of financial position as employee benefits liability as of March 31, 2024 and 2023 as determined by KKA Herman Budi Purwanto, an independent actuary, in their reports dated April 5, 2024 and March 31, 2023, respectively.

The principal assumptions used in determining the employee benefits liability as of March 31, 2024 and 2023, are as follows:

Discount rate	: 6.98 % in 2024 and 7.17% in 2023
Annual salary increase	: 8.50% in 2024 and 2023
Mortality	: TMI IV in 2024 and 2023
Retirement age	: 58 years old in 2024 and 2023
Disability rates	: 10% of TMI IV in 2024 and 2023

a. The employee benefits expense recognized in the statement of profit or loss and other comprehensive income consist of the following:

	Indonesian Rupiah March 31,		Translations into U.S. Dollar - Unaudited (Note 2n) March 31,	
	2024	2023	2024	2023
Current service cost	333,131,086	245,722,110	21,651	16,281
Impact of changes on attribution period based on IAI press release	-	(933,102,769)	-	(61,824)
Interest cost	234,694,484	299,917,904	15,254	19,873
Employee benefit expense	**567,825,570**	**(387,462,755)**	**36,905**	**(25,670)**

b. Details of employee benefits liability are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	March 31,		March 31,	
	2024	2023	2024	2023
Present value of defined benefits obligation	**4,372,119,143**	**3,539,486,014**	**275,791**	**234,994**

c. Movements in employee benefits liability are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	2023	2024	2023
Beginning balance	3,539,486,014	4,374,828,445	234,994	304,887
Provision during the year	567,825,570	545,640,014	36,905	36,154
Impact of changes on attribution period based on IAI press release	-	(933,102,769)	-	(61,824)
Payment during the year	(266,201,722)	(428,540,241)	(16,948)	(28,609)
Actuarial loss (gain) due from:				
Experience adjustment	527,551,404	(28,183,086)	33,278	(1,867)
Changes in financial assumption	3,457,877	8,843,651	218	583
Translation adjustment	-	-	(12,656)	(14,330)
Ending balance	**4,372,119,143**	**3,539,486,014**	**275,791**	**234,994**

d. The expected total undiscounted pension benefit payments in Indonesian rupiah for the subsequent years are as follows:

Within the next 12 months (the next annual reporting year)	:	90,487,302
Between 1 and 2 years	:	-
Between 2 and 3 years	:	451,206,961
Between 3 and 4 years	:	304,109,702
Between 4 and 5 years	:	701,173,539
Beyond 5 years	:	41,411,975,735

The average duration of the long-term employee benefits liability is 16.42 years.

e. The effect of a one-percentage point change in discount rate and salary increase rateon long-term employee benefits liability for the year ended March 31, 2024 is shown below:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Discount Rate	Salary Rate	Discount Rate	Salary Rate
Increase	(273,713,037)	292,386,693	(17,790)	19,003
Decrease	303,472,806	(561,474,624)	19,724	(36,493)

17. CAPITAL STOCK

The shares ownership details as of March 31, 2024 and 2023 are as follows:

Series A

Stockholders	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount	Translations into U.S. Dollar - Unaudited (Note 2n)
EIH Holdings Ltd.	73,789	57.03	13,282,020,000	6,530,000
EIH International Ltd.	33,900	26.20	6,102,000,000	3,000,000
PT Waka Gae Selaras	21,696	16.77	3,905,280,000	1,920,000
Total	**129,385**	**100.00**	**23,289,300,000**	**11,450,000**
Series B				
EIH Holdings Ltd.	461,359	100.00	346,019,250,000	26,016,500
Total	**461,359**	**100.00**	**346,019,250,000**	**26,016,500**

Summary

	Share series	Number of Shares Issued and Fully paid	Percentage of Ownership	Amount	Translations into U.S. Dollar - Unaudited (Note 2n)
EIH Holdings Ltd.	Series A	73,789	12.49	13,282,020,000	6,530,000
EIH International Ltd.	Series A	33,900	5.74	6,102,000,000	3,000,000
PT Waka Gae Selaras	Series A	21,696	3.67	3,905,280,000	1,920,000
EIH Holdings Ltd.	Series B	461,359	78.10	346,019,250,000	26,016,500
Total		**590,744**	**100.00**	**369,308,550,000**	**37,466,500**

On September 7, 2019, the shareholders approved the transfer of 8,757 series A shares in the Company from PT Waka Gae Selaras (WGS) to EIH Holdings, Ltd., (EIHH) and the transfer of 46,135 series B shares in the Company from EIHH to PT WGS. As of report date, the transfer has not yet been executed.

18. DEPARTMENTAL REVENUES

The details of departmental revenues are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	2023	2024	2023
Room department				
Villa	18,107,179,331	7,426,277,547	1,176,861	492,031
Pavillion	17,284,890,989	7,801,290,947	1,123,417	516,879
Sub-total	**35,392,070,320**	**15,227,568,494**	**2,300,278**	**1,008,910**
Food and beverages department				
Food	15,344,735,428	6,244,593,007	997,319	413,739
Beverages	5,250,225,042	2,132,040,125	341,233	141,259
Sub-total	**20,594,960,470**	**8,376,633,132**	**1,338,552**	**554,998**
Other operating departments				
Health spa	2,399,365,817	1,022,174,688	155,945	67,725
Boutique	901,816,136	316,712,580	58,613	20,984
Laundry	247,758,392	94,287,550	16,103	6,246
Telephone and fax	225,373,793	65,150,182	14,648	4,317
Sub-total	**3,774,314,138**	**1,498,325,000**	**245,309**	**99,272**
Others	1,368,347,861	320,456,700	88,934	21,232
Total	**61,129,692,789**	**25,422,983,326**	**3,973,073**	**1,684,412**

19. COST OF REVENUES

The details of cost of revenues are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	2023	2024	2023
Food and beverage	5,868,145,279	2,437,600,995	381,395	161,504
Other operating departments	1,837,186,520	385,632,558	119,407	25,550
Payroll and related expenses:				
Salaries and wages	5,008,195,602	4,007,698,962	325,504	265,532
Employee benefits	3,087,701,227	1,255,207,769	200,685	83,168
Other expenses:				
Travel agents	3,465,000,000	1,063,150,000	225,205	70,440
Cleaning and guest supplies	1,248,182,255	632,168,754	81,126	41,884
Linens and uniforms	953,913,339	632,275,783	61,999	41,892
Welcome drinks, fruit baskets, and amenities	930,474,750	441,948,128	60,475	29,282
Security	738,352,393	692,944,196	47,989	45,911
Kitchen fuel	491,968,137	343,325,948	31,975	22,747
Cultural music and shows	458,595,103	146,917,300	29,806	9,734
Loss and damages	338,950,663	231,587,053	22,030	15,344
Transportation and travel	278,557,839	161,441,922	18,104	10,697
Consultant fees	236,842,524	180,986,119	15,393	11,991
Guest activity	157,954,750	65,797,677	10,266	4,359
Decoration	140,321,881	91,949,744	9,120	6,092
Boutique	125,234,441	40,064,140	8,140	2,654
Cable television and music	113,776,664	92,566,242	7,395	6,133
Health club	82,354,650	61,026,021	5,352	4,043
Telephone and communication	68,280,970	58,310,278	4,437	3,863
Others	654,465,943	846,771,748	42,536	56,102
Total	**26,284,454,930**	**13,869,371,337**	**1,708,339**	**918,922**

20. GENERAL AND ADMINISTRATIVE EXPENSES

The details of hotel operating expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	2023	2024	2023
Salaries and wages	2,396,665,066	1,983,360,561	155,770	131,408
Credit Card Commission	1,205,751,628	487,998,235	78,367	32,333
Employee benefits	1,044,859,766	616,370,342	67,911	40,839
Data Processing Expenses	460,505,720	403,044,216	29,930	26,704
Licenses and taxes	418,394,653	214,479,869	27,193	14,210
Consultant and audit fees	352,852,349	597,396,913	22,933	39,581
Insurance	205,441,277	219,156,382	13,352	14,520
Executive	159,682,033	133,358,577	10,378	8,836
Printing and stationery	111,170,349	68,653,435	7,225	4,549
Bank charges	103,888,054	56,794,664	6,752	3,763
Transportation and travel	57,378,902	193,832,336	3,729	12,842
Telephone and communication	56,725,509	107,717,144	3,687	7,137
Others	173,009,226	515,136,947	11,245	34,130
Total	**6,746,324,532**	**5,597,299,621**	**438,472**	**370,852**

21. PROPERTY OPERATIONS, MAINTENANCE AND ENERGY EXPENSES

The details of property operations, maintenance and energy expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	2023	2024	2023
Electricity	2,404,005,787	1,825,276,310	156,246	120,935
Repairs and maintenance	2,295,121,132	2,224,688,206	149,172	147,398
Provision for replacement of furniture fixtures and equipment (Note 14	1,833,890,784	762,689,500	119,192	50,532
Fuel	1,730,495,057	1,515,986,785	112,472	100,442
Salaries and wages	944,420,815	866,739,729	61,381	57,424
Supplies	656,070,167	666,486,551	42,640	44,159
Water	384,231,460	219,715,142	24,973	14,558
Others	279,223,520	207,665,135	18,147	13,760
Total	**10,527,458,722**	**8,289,247,358**	**684,223**	**549,208**

22. MARKETING EXPENSES

The details of marketing expenses are as follows:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	Year Ended March 31,		Year Ended March 31,	
	2024	2023	2024	2023
Advertising and promotion	1,909,594,765	1,270,270,827	124,112	84,161
Sales promotion expenses (Note 25)	1,833,890,782	762,689,500	119,192	50,532
Consultant fees	364,899,145	259,903,592	23,716	17,220
Transportation and Travel	151,944,126	-	9,876	-
Others	44,138,431	26,028,666	2,869	1,726
Total	**4,304,467,249**	**2,318,892,585**	**279,765**	**153,639**

23. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

The Company has various financial assets such as cash on hand and in banks, other current and non-current financial assets which arise directly from the Company's operations.

The Company's principal financial liabilities consist of trade payables, other payables, accrued expenses, due to related parties and other current financial liabilities. The main purpose of these financial liabilities is to finance the Company's operations.

The carrying values of the Company's financial assets and liabilities approximate their fair values as of March 31, 2024 and 2023.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such value:

Current financial assets and liabilities:

- Current financial instruments with remaining maturities of one year or less (cash on hand and in banks, other current financial assets, trade payables, other payables, accrued expenses, due to related parties, and other current financial liabilities)

  The carrying values of the Company's current financial assets and liabilities approximate their fair values due to the short-term nature of these financial assets and liabilities.

Non-current financial asset:

- Long-term financial assets (other non-current financial assets)

  The fair values of other non-current financial assets are assumed to be the same as the cash amount that will be received due to the fact that the maturity of such financial assets is not stated in related contract and the management is not yet able to determine when the financial assets will be realized.

24. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Risk Management

The main risks arising from the Company's financial instruments are foreign exchange rate risk, credit risk and liquidity risk. The Company's Board of Directors reviews and approves the policies for managing these risks which are summarized below.

a. Foreign Exchange Rate Risk

Foreign exchange rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to exchange rate fluctuations results primarily from its U.S. dollar-denominated cash in banks, trade receivables from revenue in foreign currencies, and due to related parties.

The Company's policies are to minimize the risk arising from the foreign exchange rate by monitoring its fluctuations and maintaining an adequate level of cash in banks and long-term bank loan in U.S. dollar. To the extent the Indonesian rupiah depreciates further from the exchange rates in effect at March 31, 2024, the Company's financial liabilities increases in Indonesian rupiah terms. However, the increase in this obligation will be offset in part by the increase in the value of its U.S. dollar-denominated cash in banks.

	Amount in Foreign Currency		Rupiah Equivalent
Assets			
Cash on hand and in banks	US$	7,867	124,710,159
Liabilities			
Due to related parties	US$	2,842,111	45,055,976,998
Due to hotel operator	US$	16,091	255,098,542
Net Liabilities			**(45,186,365,381)**

b. Credit Risk

Credit risk arises when one party to a financial asset or liability fails to discharge an obligation and causes the Company to incur a financial loss. The Company manages and controls this credit risk by setting limits on the amount of risk it is willing to accept for individual customers and by monitoring exposures in relation to such limits. The maximum exposure of the financial instruments to credit risk is equal to the carrying values as disclosed in Note 23.

To mitigate the default risk of cash in banks, the Company has a policy to put its cash only in banks with good reputation.

With respect to credit risk arising from financial assets, primarily cash, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amounts of these financial assets.

The table below shows the maximum exposure to credit risk for the Company's financial assets without taking into account any collateral and other credit enhancements:

	Indonesian Rupiah		Translations into U.S. Dollar - Unaudited (Note 2n)	
	2024	**2023**	**2024**	**2023**
Current Financial Assets				
Cash in banks	4,677,276,746	3,003,914,505	295,042	199,437
Trade receivables – net	1,617,949,503	451,693,788	102,060	29,989
Other current financial assets	35,804,656	18,336,387	2,259	1,217
Total Financial Assets	**6,331,030,905**	**3,473,944,680**	**399,361**	**230,643**

c. Liquidity Risk

Liquidity risk is defined as the risk when the cash flow position of the Company indicates that the short-term revenues are not enough to cover its short-term expenditures. As of March 31, 2024, the Company's current liabilities exceed its current assets by Rp53,575,538,536 (US$3,379,522) (see item "d" section below). The Company's liquidity risk mainly arises from the repayment of its payable to EIH as of March 31, 2024 and 2023 which was due within a year amounting to Rp44,737,768,890 (US$2,822,038).

With respect to the liquidity risks above, EIH International, Ltd., the Company's ultimate parent company, and along with EIH Holdings, Ltd, which owns a combined 96.33% shareholdings in the Company, has provided a commitment letter that EIH Holdings will not demand repayment of amount owed except in so far as the funds of the Company permit repayment and such repayment will not adversely affect the ability of the Company to meet its liabilities as and when they fall due.

d. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains healthy cash flows in order to support its business. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return on capital or issue new shares.

The financial statements have been prepared assuming that the Company will continue as a going concern entity.

25. SIGNIFICANT AGREEMENT

The Company entered into a Hotel Operation Agreement with EIH Management Services B.V. (the Operator) to manage and operate the Hotel effective December 31, 1998. On July 24, 2000, the Company signed a Renewal Agreement whereby the original term was extended until April 14, 2034 with operator having automatic rights of approval for another 20 years. The assignment of EIH Management Services B.V as the hotel operator was also transferred to EIH Holdings Ltd. with all terms and conditions retained.

The Operator has automatic and irrevocable options to extend the Agreement for another 20 years. Under the agreement, the Hotel Operator is entitled to a fee of 12.5% of the total gross operating profit. Also, under the agreement, the Hotel Operator is entitled to pay out of the gross operating revenue and as part of gross operating expenses, an amount equal to 3% of the Hotel gross operating revenue for marketing and sales promotion expenses. Any loss incurred by the Hotel in any financial year shall be borne exclusively by the Company.

26. RECENT DEVELOPMENTS AFFECTING ACCOUNTING STANDARDS

The accounting standards that have been issued up to the date of issuance of the Company's financial statements, but not yet effective are disclosed below. The management intends to adopt the standards that are considered relevant to the Company when they become effective. The Company is presently evaluating and has not yet determined the effects of these accounting standards on the financial statements.

- **Effective for annual reporting period beginning on or after January 1, 2024**

a. Financial Accounting Standards Pillars

These standards provides requirements and guidelines for entities to apply the correct financial accounting standards in preparing general purpose financial statements. There will be 4 (four) financial accounting standards that are currently applied in Indonesia, namely:

1. Pillar 1 International Financial Accounting Standards,
2. Pillar 2 Indonesian Financial Accounting Standards (PSAK),
3. Pillar 3 Indonesian Financial Accounting Standards for Private Entities/Indonesian Financial Accounting Standards for Entities without Public Accountability, and
4. Pillar 4 Indonesian Financial Accounting Standards for Micro Small and Medium Entities

b. International Financial Accounting Standard

This standard is a full-adoption of International Financial Reporting Standards ("IFRS") which is translated in a word-for-word basis and there is no modifications from IFRS Standards, including the effective date. Entities that meet the requirements can apply this standard, from the effective date.

c Financial Accounting Standards Nomenclature

This standard regulates the new numbering for financial accounting standards applicable in Indonesia issued by DSAK IAI.

d. Amendment of PSAK 1: Non-current Liabilities with Covenants

The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

- what is meant by a right to defer settlement,
- the right to defer must exist at the end of the reporting period,
- classification is not affected by the likelihood that an entity will exercise its deferral right, and
- only if an embedded derivative in a convertible liability is an equity instrument would the terms and conditions of a liability will not impact its classification.

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after January 1, 2024 retrospectively with early adoption permitted.

The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's financial reporting.

e. Amendment to PSAK 73: Lease Liability in a Sale and Leaseback

The amendment to PSAK 73 Leases specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendment applies retrospectively to annual reporting periods beginning on or after January 1, 2024. Earlier application is permitted. The Company is currently assessing the impact of the amendment to determine the impact they will have on the Company's financial reporting.

f. Amendment of PSAK 2 and PSAK 60: Supplier Finance Arrangements

The amendments to PSAK 2 and PSAK 60 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for annual reporting periods beginning on or after January 1, 2024. Early adoption is permitted but will need to be disclosed. The amendments are not expected to have a material impact on the Company's financial statements.

- **Effective beginning on or after January 1, 2025**

a. PSAK 74: Insurance Contracts

A comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure, upon its effective date, PSAK 74 will replace PSAK 62: Insurance Contracts. PSAK 74 applies to all types of insurance contracts, life, non-life, direct insurance and re-insurance, regardless of the entities issuing them, as well as to certain guarantees and financial instruments with discretionary participation features, while a few scope exceptions will apply. The overall objective of PSAK 74 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers.

PSAK 74 is effective for reporting periods beginning on or after April 1, 2025, with comparative figures required. Early application is permitted, provided the entity also applies PSAK 71 and PSAK 72 on or before the date of initial application of PSAK 74. This standard is not expected to have any impact to the financial reporting of the Company upon first-time adoption.

27. CHANGES IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

The reconciliation of liabilities arising from financing activities for the years ended March 31, 2024 and 2023 are as follows:

	Year Ended March 31, 2024				
	Beginning Balance	Cash flows	Foreign Exchange	Others	Ending Balance
Due to related parties	48,693,704,507	(6,172,787,186)	2,485,682,082	-	45,006,599,403

	Year Ended March 31, 2023				
	Beginning Balance	Cash flows	Foreign Exchange	Others	Ending Balance
Due to related parties	36,929,218,873	9,900,427,517	1,864,058,117	-	48,693,704,507