

**PT ORIENTAL AROMATICS**

**Independent Accountants Report  
On the Agreed Upon Procedures of  
The Financial Statements  
As of March 31, 2021  
And For The Year Then Ended**

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# Yonathan & Rekan

## Registered Public Accountants

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### Independent Accountants Report On the Agreed Upon Procedures

Report No. 021/Y&R/V/2021/Y

#### Shareholders, Commissioner and Directors PT Oriental Aromatics

We have performed the procedures agreed with you and specified below related to the preparation of statement of financial position of PT Oriental Aromatics ("the Company") as of March 31, 2021 and the statement of profit or loss and other comprehensive income, changes in capital deficiency and cash flows for the year then ended. Our engagement was undertaken based on Related Service Standards which applicable to agreed-upon procedures engagements. The procedures were performed solely to assist you in preparing the financial statements as of March 31, 2021 and for the year then ended, are summarized as follows:

- We obtained the details of all accounts based on the statement of financial position of the Company as of March 31, 2021
- We reconciled the information in the statement of financial position to the accounting system and records (e.g. trial balance, general ledger accounts, sub ledgers etc.).
- We obtained the details of statement of profit or loss and other comprehensive income of the Company for twelve months period from April 1, 2020 - March 31, 2021.
- We reconciled the information in statement of profit or loss and other comprehensive income to the accounting system and records (e.g. trial balance, general ledger accounts, sub ledgers etc.).

Our findings are presented in the statement of financial position as of March 31, 2021 and the statements of profit or loss and other comprehensive income, changes in capital deficiency and cash flows for the year then ended.

Our report is solely for the purpose set forth in the first paragraph of this report and for your information only and is not to be used for any other purpose or to be distributed to any other parties.

**KAP YONATHAN DAN REKAN**

**Yonathan Augustine, CPA**  
**Public Accountant License No. AP.1045**

May 05, 2021

**PT ORIENTAL AROMATICS**  
**STATEMENTS OF FINANCIAL POSITION**  
**AS OF MARCH 31, 2021**  
(Expressed in Rupiah, unless otherwise stated)

	Note	2021	2020
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Banks	3	171,951,151	1,061,696,059
Other receivables	4		
Related parties		160,292,000	180,037,000
Third party		-	60,547,501
Deposit		121,095,000	121,095,000
<b>TOTAL ASSETS</b>		<b>453,338,151</b>	<b>1,423,375,560</b>
<b>LIABILITIES AND CAPITAL DEFICIENCY</b>			
<b>CURRENT LIABILITIES</b>			
Trade payables	5		
Related party		1,156,150,740	1,972,120,076
Third parties		112,042,730	-
Accrued expenses	6	60,500,000	55,709,600
Other payables		-	3,100,000
<b>TOTAL LIABILITIES</b>		<b>1,328,693,470</b>	<b>2,030,929,676</b>
<b>CAPITAL DEFICIENCY</b>			
Share capital - par value Rp9,603 for serie A share and Rp14.025 for Serie B share Authorized issued and fully paid - 261,000 serie A and 1.105.000 serie B shares	7	18,004,008,000	18,004,008,000
Exchange difference on paid in capital		(58,881,000)	(58,881,000)
Deficit		(18,820,482,319)	(18,552,681,116)
<b>TOTAL CAPITAL DEFICIENCY</b>		<b>(875,355,319)</b>	<b>(607,554,116)</b>
<b>TOTAL LIABILITIES AND CAPITAL DEFICIENCY</b>		<b>453,338,151</b>	<b>1,423,375,560</b>

**PT ORIENTAL AROMATICS**  
**STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED AS OF MARCH 31, 2021**  
**(Expressed in Rupiah, unless otherwise stated)**

	Note	2021	2020
<b>SALES</b>	8	-	1,762,522,462
<b>COST OF SALES</b>	9	-	1,511,684,144
<b>GROSS PROFIT</b>		-	<b>250,838,318</b>
<b>OPERATING EXPENSES</b>	10		
General and administrative expenses		80,682,500	755,141,200
Marketing expenses		11,172,500	290,189,636
<b>TOTAL OPERATING EXPENSES</b>		<b>91,855,000</b>	<b>1,045,330,836</b>
<b>OPERATING LOSS</b>		<b>(91,855,000)</b>	<b>(794,492,518)</b>
<b>NON-OPERATING INCOME (EXPENSES)</b>			
Interest income		849,858	4,356,268
Rent income		-	181,642,500
Write off due to related party		-	16,367,000
Write off trade receivable		-	(583,496,364)
Bank charges		(3,624,854)	(4,736,670)
Gain (loss) on foreign exchange		(249,171,207)	559,447,950
Other		76,000,000	307,514,464
<b>TOTAL NON-OPERATING INCOME (EXPENSES) - net</b>		<b>(175,946,203)</b>	<b>481,095,148</b>
<b>LOSS BEFORE INCOME TAX EXPENSE</b>		<b>(267,801,203)</b>	<b>(313,397,370)</b>
Income tax expense		-	-
<b>NET LOSS FOR THE YEAR</b>		<b>(267,801,203)</b>	<b>(313,397,370)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		-	-
<b>TOTAL COMPREHENSIVE LOSS</b>		<b>(267,801,203)</b>	<b>(313,397,370)</b>

**PT ORIENTAL AROMATICS**  
**STATEMENT OF CAPITAL DEFICIENCY**  
**FOR THE YEAR ENDED AS OF MARCH 31, 2021**  
**(Expressed in Rupiah, unless otherwise stated)**

	<u>Issued and Fully Paid Shares Capital</u>	<u>Exchange difference on paid in capital</u>	<u>Deficit</u>	<u>Total Capital Deficiency</u>
<b>Balance, March 31, 2019</b>	<b>2,506,383,000</b>	<b>42,779,000</b>	<b>(18,239,283,746)</b>	<b>(15,690,121,746)</b>
Additional paid in capital	15,497,625,000	-	-	15,497,625,000
Exchange difference on paid in capital	-	(101,660,000)	-	(101,660,000)
Total comprehensive loss as of April 1, 2019 up to March 31, 2020	-	-	(313,397,370)	(313,397,370)
<b>Balance, March 31, 2020</b>	<b>18,004,008,000</b>	<b>(58,881,000)</b>	<b>(18,552,681,116)</b>	<b>(607,554,116)</b>
Total comprehensive loss as of April 1, 2020 up to March 31, 2021	-	-	(267,801,203)	(267,801,203)
<b>Balance, March 31, 2021</b>	<b>18,004,008,000</b>	<b>(58,881,000)</b>	<b>(18,820,482,319)</b>	<b>(875,355,319)</b>

**PT ORIENTAL AROMATICS**  
**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED AS OF MARCH 31, 2021**  
**(Expressed in Rupiah, unless otherwise stated)**

	<b>2021</b>	<b>2020</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Comprehensive loss	(267,801,203)	(313,397,370)
Adjustment for:		
(Gain) loss on foreign exchange	19,745,000	(273,402,535)
Write off trade receivable	-	583,496,364
Write off due to related party	-	(16,367,000)
Changes in working capital:		
Trade receivables	-	1,451,050,451
Other receivables	60,547,501	(159,153,001)
Inventories	-	543,169,768
Trade payables	(703,926,606)	(2,213,731,207)
Taxes payables	-	(1,485,037)
Other payable	(3,100,000)	3,100,000
Accrued expenses	4,790,400	(152,196,112)
<b>Net Cash Provided by Used in Operating Activities</b>	<b>(889,744,908)</b>	<b>(548,915,679)</b>
<b>NET DECREASE IN BANKS</b>	<b>(889,744,908)</b>	<b>(548,915,679)</b>
<b>BANKS AT BEGINNING OF YEAR</b>	<b>1,061,696,059</b>	<b>1,610,611,738</b>
<b>BANKS AT END OF YEAR</b>	<b>171,951,151</b>	<b>1,061,696,059</b>

**PT ORIENTAL AROMATICS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2021 AND FOR THE YEAR THEN ENDED**  
**(Expressed in Rupiah, unless otherwise stated)**

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**1. GENERAL**

**ESTABLISHMENT OF THE COMPANY**

PT Oriental Aromatics (the "Company") was established in Indonesia on March 7, 2013 based on approval from the Minister of Justice and Human Right of the Republic of Indonesia in its Decision Letter No.AHU-11366.AH.01.01.on 2013 that approves the deed of establishment in Notarial Deed No. 27 of Suwanda S.H., M.Kn. Its articles of association has been amended several times, the latest amended by Notarial Deed No. 9 of Irenrera, SH., M.KN dated December 20, 2019 about increase in authorized issued, paid in capital converted from loans, and change Board of Director, as well as change the composition of the Company's shareholder that has been approved by the Minister of Justice. The Notarial Deed was received and recorded by the Minister of Law and Human Rights of Republic Indonesia in his decision letter No. No. AHU-AH.01.03-0377137 dated December 23, 2019.

According to Article 3 of the Company's articles of association, the Company engaged in cosmetics industry which include trading and manufacturing of flavour and fragrance.

The Company started its commercial operations in 2013.

**Commissioner and Director**

The composition of the Company's commissioner and board of directors as of March 31, 2021 and 2020, are as follows:

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Commissioner	Director
Shyamal Anil Bodani - Commissioner Director	Dharmil Anil Bodani - President

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**2. SCOPE OF WORK**

These procedures and the scope of the agreed upon procedures aims to prepare the Company's statement of financial position as of March 31, 2021 and 2020 and the statements of profit or loss and other comprehensive income, changes in capital deficiencies and cash flows for the years then ended.

The reporting currency used in the financial statements is Rupiah .

Transactions during the year in currencies other than Rupiah are recorded in the exchange rates prevailing at the transaction date. On the reporting date, monetary assets and liabilities in currencies other than Rupiah are adjusted to reflect the exchange rates prevailing at that date and the resulting gains or losses arising are credited or charged to the current year.

As of March 31, 2021 and 2020, the exchange rate used for USD1 are Rp14,572 and Rp16,367 respectively.

**PT ORIENTAL AROMATICS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**AS OF MARCH 31, 2021 AND FOR THE YEAR THEN ENDED**  
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**3. BANKS**

This account consists of:

	<b>2021</b>	<b>2020</b>
Bank		
Rupiah		
PT Bank Central Asia Tbk	154,844,889	400,062,048
USD		
PT Bank Central Asia Tbk	17,106,262	49,971,561
Standard Chartered Bank Indonesia	-	611,662,450
<b>Total</b>	<b>171,951,151</b>	<b>1,061,696,059</b>

**4. OTHER RECEIVABLES**

This account consists of:

	<b>2021</b>	<b>2020</b>
<b>Related parties</b>		
Oriental Aromatics,Ltd	158,689,080	178,236,630
Dharmil Bodani	801,460	900,185
Shyamal Bodani	801,460	900,185
<b>Total related parties</b>	<b>160,292,000</b>	<b>180,037,000</b>
<b>Third party</b>		
PT Jolie Parfum	-	60,547,501
<b>Total</b>	<b>160,292,000</b>	<b>240,584,501</b>

**5. TRADE PAYABLES**

This account represents payables to:

	<b>2021</b>	<b>2020</b>
<b>Related party:</b>		
Oriental Aromatics,Ltd (equivalent with USD79,341 as of March 31,2021 and USD120,494 as of March 31,2020)	1,156,150,740	1,972,120,076
<b>Third parties:</b>		
PT Jolie Parfum	112,042,730	-
<b>Total</b>	<b>1,268,193,470</b>	<b>1,972,120,076</b>

**6. ACCRUED EXPENSES**

This account represents:

	<b>2021</b>	<b>2020</b>
Professional fee	60,500,000	27,500,000
Other	-	28,209,600
<b>Total</b>	<b>60,500,000</b>	<b>55,709,600</b>

**PT ORIENTAL AROMATICS**  
**NOTES TO THE FINANCIAL STATEMENTS**  
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**7. SHARE CAPITAL**

The composition of shareholders as of March 31, 2021 and 2020 are as follows:

Shareholders	Number of Shares Issued and Fully Paid	Percentage of Ownership	Amount
<b>Serie A</b>			
Oriental Aromatics,Ltd	258,390	13.78%	2,481,319,170
Dharmil Anil Bodani	1,305	0.07%	12,531,915
Shyamal Anil Bodani	1,305	0.07%	12,531,915
<b>Serie B</b>			
Oriental Aromatics,Ltd	1,105,000	86.08%	15,497,625,000
<b>Total</b>	<b>1,366,000</b>	<b>100.00%</b>	<b>18,004,008,000</b>

**8. SALES**

This account consist of sales of the Company's amounted to Rp1,762,522,462 as of March 31, 2020.

**9. COST OF SALES**

This account consist of:

	2021	2020
Beginning balance of inventories	-	543,169,768
Purchase of goods	-	793,103,239
<b>Inventories used</b>	-	<b>1,336,273,007</b>
<b>Overhead expenses</b>		
Freight cost	-	174,831,137
Other	-	580,000
<b>Total overhead expenses</b>	-	<b>175,411,137</b>
<b>Total</b>	-	<b>1,511,684,144</b>

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**10. OPERATING EXPENSES**

This account consists of:

	<b>2021</b>	<b>2020</b>
<b>General and Administration Expenses</b>		
Professional fee	60,500,000	91,985,000
Rent	20,182,500	484,380,000
Others	-	178,776,200
<b>Sub total</b>	<b>80,682,500</b>	<b>755,141,200</b>
<b>Marketing Expenses</b>		
Tax expense	10,647,500	64,061,072
Others	525,000	226,128,564
<b>Sub total</b>	<b>11,172,500</b>	<b>290,189,636</b>
<b>Total</b>	<b>91,855,000</b>	<b>1,045,330,836</b>