



# **PT PIDILITE INDONESIA**

**FINANCIAL STATEMENT  
AS OF 31 MARCH 2026 AND  
FOR THE YEAR ENDED 31 MARCH 2026  
WITH  
INDEPENDENT AUDITOR'S REPORT**

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**DIRECTOR' STATEMENT LETTER  
REGARDING THE RESPONSIBILITY FOR FINANCIAL STATEMENT  
AS OF MARCH 31, 2026 AND  
FOR THE YEAR ENDED MARCH 31, 2026  
PT PIDILITE INDONESIA**

I, the undersigned:

Name : Dr. Dien Pandiman  
Office Address : Artha Gading Niaga Blok H/16  
Residential Address : Jl. Pantai Mutiara, Blok A. No 61 RT001 RW016  
Position : President Director

Declare that:

1. I am responsible for the preparation and presentation of PT Pidilite Indonesia's financial statement.
2. PT Pidilite Indonesia's financial statement have been prepared and presented in accordance with Indonesian Financial Accounting Standards.
3. a. All information in the PT Pidilite Indonesia's financial statement have been disclosed in a complete and truthful manner.  
b. PT Pidilite Indonesia's financial statement do not contain any incorrect material information or facts, and do not omit material information or facts.
4. I am responsible for PT Pidilite Indonesia's internal control system.

Thus this statement letter is made truthfully.

Sincerely,

Jakarta, 20<sup>th</sup> April 2026



**Dr Dien Pandiman  
President Director**

**PT. Pidilite Indonesia**

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208 Nariman Point, Mumbai 400021 - India.



Nomor Izin Usaha : 613/KM.1/2017  
Tanggal 12 Juni 2017  
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Reference No.: 00003/2.1123/AU.1/05/0309-1/1/IV/2026

## **INDEPENDENT AUDITOR'S REPORT**

The Shareholders, Board of Commissioners and Director  
PT Pidilite Indonesia

### **Opinion**

We have audited the financial statements of PT Pidilite Indonesia ("the Company"), which comprise the statement of financial position as at 31 March 2026, 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 a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2026, and its financial performance and its 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. 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 that are relevant to our audit of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **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 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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 will always detect a material misstatement when it exists.



Reference No.: 00003/2.1123/AU.1/05/0309-1/1/IV/2026

As part of an audit in accordance with Standards on Auditing, 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 those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- 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 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 auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 SAHAT HANDOKO DAN REKAN**



Sahat Pardede, CPA, MBA  
Public Accountant License No. AP 0309  
20 April 2026

**PT PIDILITE INDONESIA**

**STATEMENT OF FINANCIAL POSITION AS OF 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

	<u>Notes</u>	<u>2026</u>	<u>2025</u>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2b, 3	1.052.320.639	849.301.569
Other Receivables - Related Parties	4	215.811.674	256.332.542
Prepaid Expenses	5	26.957.168	28.303.444
<b>Total Current Assets</b>		<b>1.295.089.481</b>	<b>1.133.937.555</b>
<b>Non Current Assets</b>			
Fixed Assets - net of accumulated depreciation of Rp318.502.655 as of March 31, 2026 and Rp223.481.843 as of March 31, 2025	2d, 6	3.957.921.950	4.052.942.762
Deferred Tax Assets	8c	-	17.496.329
<b>Total Non-current Assets</b>		<b>3.957.921.950</b>	<b>4.070.439.091</b>
<b>TOTAL ASSETS</b>		<b>5.253.011.431</b>	<b>5.204.376.646</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accrued Expenses	7	36.585.929	33.753.250
Taxes Payables	2e, 8a	11.400.085	320.684
<b>Total Current Liabilities</b>		<b>47.986.014</b>	<b>34.073.934</b>
<b>Non Current Liabilities</b>			
Provision For Employee Benefits	2g,9	-	69.985.315
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>69.985.315</b>
<b>TOTAL LIABILITIES</b>		<b>47.986.014</b>	<b>104.059.249</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share Capital- USD 10 per value per share			
Authorized - 342.000 shares	10	12.156.805.800	12.156.805.800
Accumulated Losses		(6.951.780.383)	(7.056.488.403)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>5.205.025.417</b>	<b>5.100.317.397</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>5.253.011.431</b>	<b>5.204.376.646</b>

Jakarta, April 20<sup>th</sup>, 2026



Dr. Dien Pandiman  
President Director

The accompanying accounting policies and explanatory notes form an integral part of these financial statements taken as a whole.

**PT PIDILITE INDONESIA**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

	Notes	2026	2025
Operating Expenses	11	(1.423.094.481)	(1.445.908.305)
<b>INCOME (LOSS) FROM OPERATIONS</b>		<b>(1.423.094.481)</b>	<b>(1.445.908.305)</b>
Other Income	12	1.549.845.621	1.518.533.388
<b>NET INCOME BEFORE TAX</b>		<b>126.751.140</b>	<b>72.625.083</b>
Current Tax Income (Expense)	8b	(20.442.620)	(13.182.070)
Deferred Tax Income (Expense)	8c	-	2.493.234
Total Tax Benefit (Expenses)		(20.442.620)	(10.688.836)
<b>NET PROFIT (LOSS) AFTER TAX</b>		<b>106.308.520</b>	<b>61.936.247</b>
Other Comprehensive Income – Employee Benefit		-	(22.725.216)
Other Comprehensive Income – Tax on Employee Benefit		-	5.681.304
<b>CURRENT OTHER COMPREHENSIVE INCOME (LOSS)</b>		<b>106.308.520</b>	<b>44.892.335</b>

Jakarta, April 20<sup>th</sup>, 2026

Dr. Dien Pandiman  
President Director

The accompanying accounting policies and explanatory notes form an integral part of these financial statements taken as a whole.

**PT PIDILITE INDONESIA**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

	<b>Paid up Capital Stock</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
<b>Balance as of March 31, 2024</b>	<b>12.156.805.800</b>	<b>(7.101.380.738)</b>	<b>5.055.425.062</b>
Net profit for the year	-	61.936.247	61.936.247
Other comprehensive income represents remeasurement of defined benefit obligation and will not be reclassified to profit or loss – OCI	-	(17.043.912)	(17.043.912)
<b>Balance as of March 31, 2025</b>	<b>12.156.805.800</b>	<b>(7.056.488.403)</b>	<b>5.100.317.397</b>
Adjustment for prior period – income tax	-	(1.600.500)	(1.600.500)
Net profit for the year	-	106.308.520	106.308.520
Other comprehensive income represents remeasurement of defined benefit obligation and will not be reclassified to profit or loss – OCI	-	-	-
<b>Balance as of March 31, 2026</b>	<b>12.156.805.800</b>	<b>(6.951.780.383)</b>	<b>5.205.025.417</b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements taken as a whole.

**PT PIDILITE INDONESIA**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

	<b>2026</b>	<b>2025</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit After Tax	106.308.520	44.892.335
Adjustments to reconcile net loss to net cash provided by (used in) operating activities		
Deferred Tax Assets	17.496.329	(8.174.538)
Adjustment of prior period - Income tax	(1600.500)	-
Provisions for employee benefits	(69.985.315)	32.698.153
Depreciation - Guardrail	92.420.820	91.650.646
Depreciation - Office Equipment	2.599.992	2.599.992
Operating cash follows before changes in working capital	<u>147.239.846</u>	<u>163.666.588</u>
Changes in Working Capital:		
Other Receivables	40.520.868	164.784.008
Prepaid Expenses	1.346.276	(748.763)
Accrued Expenses	2.832.679	1.254.600
Tax Payables	11.079.401	(19.401.156)
Other Payables	-	(12.600.000)
Total Changes in Working Capital	<u>55.779.224</u>	<u>133.288.689</u>
Net cash flows provided by operating activities	<u>203.019.070</u>	<u>296.955.277</u>
<b>CASH FLOWS FROM INVESTING ACTIVITY</b>		
Guardrail – Parameter Wall	-	(46.210.410)
Net cash flows used by investing activities	<u>-</u>	<u>(46.210.410)</u>
<b>NET INCREASE/ (DECREASE) CASH AND CASH EQUIVALENTS</b>	<b>203.019.070</b>	<b>250.744.867</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR</b>	<b>849.301.569</b>	<b>598.556.702</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b><u>1.052.320.639</u></b>	<b><u>849.301.569</u></b>

The accompanying accounting policies and explanatory notes form an integral part of these financial statements taken as a whole.

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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The accompanying notes form an integral part of these financial statements and should be read in conjunction with them.

**1. GENERAL**

**a. The Company's Establishment**

PT Pidilite Indonesia ("the Company") is a company domiciled in Indonesia located at Jl. Penjarangan 1, Jakarta. The Company was established by deed of public notary Bonardo Nasution, Sarjana Hukum, No 08 dated December 19, 2005. This deed was approved by the Ministry of Law and Human Rights Republic Indonesia under No C-05827.HT.01.01-Th.2006.

The Company's Articles of Association have been stipulated in Notarial Deed No. 14 dated July 18, 2023, executed before Notary Fiefie Peiter, S.H., which, among others, covers the increase in the Company's issued and paid-up capital, as well as the ratification of all actions undertaken by the Board of Directors and the Board of Commissioners. The deed has been duly approved by the Ministry of Law and Human Rights of the Republic of Indonesia pursuant to its Decree No. AHU-AH.01.03-0096868 dated July 26, 2023.

The Company's article of association has been changed several times, the last was with notarial deed Number 29 dated October 22, 2025 of Fiefie Pieter, S.H., notary in Jakarta about changes of commissioner's structure. This deed was approved by the Minister of Justice and Human Rights No. AHU-AH.01.09-0354916 dated October 24, 2025.

**b. Business Activities**

The Company is mainly engaged in selling adhesives, sealants, resins, and special chemical products. In addition in 2022 there are additions to the Company's business activities which are 46651 Wholesale of Goods and Chemicals and 20291 Industry of Adhesive/Glue. The Company commenced its commercial operation in January 2006.

**c. Board of Management**

The Company's commissioner and director as of March 31, 2026 and 2025 are as follows:

	<u>2026</u>	<u>2025</u>
Commissioner	: Mr. Shanker Iyer	Mr. Shanker Iyer
President Director	: Dr. Dien Pandiman	Dr. Dien Pandiman
Director	: Mr. Sanjay Bahadur	Mr. Sanjay Bahadur

On Notary Deed No. 29, dated 22 October 2025, the Company **passed** a resolution to dismiss Dr. Dien Pandiman as President Director, Mr. Sanjay Bahadur as Director, Mr. Shanker Iyer as Commissioner and to appoint again Dr. Dien Pandiman as President Director, Mr. Sanjay Bahadur as Director and Mr. Shanker Iyer as the Commissioner for the period of 3 years. As of March 31, 2026 and 2025, the employee of the company is Nil and 1, respectively.

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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**1. GENERAL (Continued)**

**d. Completion Date of the Financial Statements**

The management of the Company is responsible for the preparation of the financial statements which were authorized for issue on 20 April 2026.

**2. SIGNIFICANT ACCOUNTING POLICIES**

The following are significant accounting policies adopted in preparing the financial statements of the Company in accordance with Indonesian Financial Accounting Standards and authorized to be issued by Board of the Indonesian Institute of Accountants.

Significant accounting policies consistently applied in the preparation of financial statements for the period ended 31 March 2026 are as follows:

**a. Basis for Preparation of Financial Statements**

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Indonesian Rupiah, which is the Company's functional currency.

The statement of cash flows is prepared using the indirect method, whereby profit for the year is adjusted for non-cash transactions and changes in working capital, and cash flows are classified into operating, investing, and financing activities.

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash on hand, cash in banks, and short-term deposits with original maturities of three months or less from the date of placement. Bank overdrafts, if any, are presented as part of borrowings unless they form an integral part of the Company's cash management.

**b. Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, cash in banks, and time deposits and call deposits with maturities of three months or less.

**c. Foreign Currency Transaction**

Transactions denominated in foreign currency are converted into Rupiah at exchange rate prevailing at the date of transaction, at the balance sheet date monetary assets and liabilities in foreign currencies are translated at exchange rates prevailing at the date.

Exchange gains and losses arising on transactions in foreign currency and on the translation of currency monetary assets and liabilities are recognized in the statement of profit or loss. For 31 March 2026 and 2025, the rates of exchange used as benchmark are the middle rate which is issued by Bank Indonesia respectively: 2026 - Rp16,993.00 and 2025 - Rp16,588.00.

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**d. Fixed Assets**

Fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses, except for land rights which are not depreciated.

Cost includes expenditures that are directly attributable to the acquisition of the asset, including costs necessary to bring the asset to the location and condition required for it to operate as intended by management. Subsequent costs are capitalized only when it is probable that future economic benefits associated with the item will flow to the Company and the cost can be reliably measured. All other repair and maintenance costs are recognized in profit or loss as incurred.

Where an item of fixed assets comprises significant components with different useful lives, each component is accounted for separately (componentization) and depreciated over its respective useful life.

Depreciation is calculated using the straight-line method over the estimated useful lives of the assets, as follows:

	%	Years
Office Equipment	25%	4 years
Guardrail	10%	10 years

The residual values, useful lives, and depreciation methods are reviewed at each reporting date and adjusted prospectively, if appropriate.

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

The Company assesses at each reporting date whether there is any indication that an asset may be impaired. If such indication exists, the Company estimates the recoverable amount of the asset. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

**e. Corporate Income Tax**

Income tax comprises current tax and deferred tax, which are recognized in profit or loss, except to the extent that they relate to items recognized in other comprehensive income or directly in equity.

Current tax is calculated based on taxable profit for the year using tax rates that have been enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation. Where appropriate, the Company establishes provisions based on amounts expected to be paid to the tax authorities.

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**e. Corporate Income Tax (Continued)**

Deferred tax is recognized using the liability method on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized for all deductible temporary differences and tax losses carried forward, to the extent that it is probable that future taxable profits will be available against which such temporary differences and tax losses can be utilized. Deferred tax assets and liabilities are measured using tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax laws that have been enacted or substantively enacted at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

**Significant Judgement and Estimation Uncertainty**

The determination of the Company's income tax expense and deferred tax position requires significant judgement, particularly in assessing the recognition of deferred tax assets and the interpretation of tax regulations.

In particular:

- The recognition of deferred tax assets depends on management's assessment of the probability of future taxable profits, which is based on projected financial performance and business plans; and
- The Company may be subject to tax audits, and the final outcome of tax assessments may differ from the amounts initially recorded. Such differences will be recognized in profit or loss in the period in which they are determined.

Management believes that the tax positions taken are supportable and in compliance with applicable tax regulations. However, due to inherent uncertainties in the interpretation of tax laws and regulations, actual results may differ from these estimates.

**f. Other Income and Expense Recognition**

The Company recognizes revenue from application services when the services are provided to customers in accordance with contractual terms. The Company acts as the primary service provider, as it controls and is responsible for delivering the services. Accordingly, revenue is presented on a gross basis.

Expenses are recognized as they are incurred.

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**g. Employee Benefits**

The Company has adopted PSAK 219 (revised 2016), "Employee Benefits", which governs the accounting for employee benefit obligations.

Although the Company does not have permanent employees as of the reporting date, employee benefit obligations arose in prior periods and were fully settled or reversed during the year. The Company has assessed that no further obligations exist as of the reporting date. Accordingly, no employee payroll, employee benefits expense, or employee benefit obligations have been recognized during the year.

The Company's activities during the year were carried out by the President Director and supported by external service providers and consultants. Costs related to these arrangements are recognized as operating expenses and do not fall within the scope of PSAK 219.

As there were no employees during the reporting period, no employee benefit obligations, including defined benefit obligations, have been recognized, and no actuarial valuation has been performed.

This accounting policy remains applicable for future periods should the Company employ personnel and incur employee benefit obligations in accordance with applicable labor laws and internal policies.

**h. Source of Estimation Uncertainty**

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

**Judgment**

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**

The functional currency of the Company is the currency from the primary economic environment where such entity operates. Those currencies are the currencies that influence the revenues and costs of the Company. The determination of functional currency may require judgment due to various complexity; the Company may transact in more than one currency in its daily business activities.

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**h. Source of Estimation Uncertainty (Continued)**

**Estimates and Assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year 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 when they occur.

**Income Tax**

Significant judgment is involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain in the ordinary course of business. The Company recognizes liabilities for expected corporate income tax issues based on estimates of whether additional corporate income tax will be due.

**Deferred Tax Assets**

Deferred tax assets are recognized for all unused tax losses to the extent that it is probable that taxable profit will be available against which the tax losses can be utilized. Significant management estimates are required to determine the amount of deferred tax assets that can be recognized based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**i. Summary of Changes in Accounting Policies and Disclosure.**

During the current period, there were no new accounting standards or amendments to PSAK that are relevant to the Company's operations and effective for periods beginning on or after January 1, 2025.

At the date of authorization of these financial statements, the following standard, interpretation and amendments to PSAK relevant to the Group were issued but not effective, with early application permitted:

**Effective for periods beginning on or after January 1, 2026**

- Amendment to PSAK 109 Financial Instruments and Amendment to PSAK 107 Financial Instruments: Disclosures on Classification and Measurement of Financial Instruments.
- Annual Improvement 2024 PSAK Indonesia

**PT PIDILITE INDONESIA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2026**

(Figures in table are presented in Rupiah, unless otherwise stated)

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**2. SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**i. Summary of Changes in Accounting Policies and Disclosure (Continued)**

**Effective for periods beginning on or after January 1, 2027**

- PSAK 118 Presentation and Disclosures in Financial Statements
- PSAK 107 Financial Instruments: Disclosures on Classification and Measurement of Financial Instruments

**j. Going Concern**

Management has assessed the Company's ability to continue as a going concern and has concluded that the financial statements are prepared on a going concern basis.

As of 31 March 2026, the Company reported total equity of Rp5,205,025,417, cash and cash equivalents of Rp1,052,320,639, and net profit for the year of Rp106,308,520.

The Company's operations primarily comprise service activities performed for related parties, including cost reimbursement arrangements and service fees. A significant portion of the Company's revenue and receivables is derived from related party transactions, including other receivables amounting to Rp215,811,674.

Accordingly, the Company's ability to continue as a going concern is closely linked to the continuation of these related party arrangements and the ongoing operational and financial support from its parent and related parties.

In performing this assessment, management has considered the Company's current financial position, historical cash flow patterns, and the expected continuation of related party transactions. While management expects that the Company will continue to generate sufficient cash inflows to meet its obligations as they fall due, the Company remains dependent on related party support as part of its business model.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

The financial statements have been prepared on a going concern basis, as management expects continued support from related parties.

**3. CASH AND CASH EQUIVALENTS**

	<b>2026</b>	<b>2025</b>
Cash at bank – Citibank	1.052.320.639	849.301.569
<b>Total</b>	<b>1.052.320.639</b>	<b>849.301.569</b>

**PT PIDILITE INDONESIA**  
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**4. OTHER RECEIVABLES- RELATED PARTIES**

	<u>2026</u>	<u>2025</u>
Ultimate holding company		
- Pidilite Industries Limited, India	215.811.674	256.332.542
<b>Total</b>	<b><u>215.811.674</u></b>	<b><u>256.332.542</u></b>

Other receivables from related parties amounting to Rp215,811,674 (2025: Rp256,332,542) represent balances due from the ultimate holding company arising from application support and related service transactions. The Company applies the simplified approach under PSAK 109 (Financial Instruments), recognizing lifetime expected credit losses for trade and other receivables, including balances with related parties.

The ECL assessment incorporates forward-looking information and considers the financial condition of counterparties and historical loss experience.

During the year, the Company entered into related party transactions primarily relating to service income and related operational arrangements. Accordingly, these balances form part of the Company's normal business model, in which a significant portion of revenue is derived from related party transactions. Management considers that these transactions were conducted under agreed terms and conditions.

**5. PREPAID EXPENSES**

	<u>2026</u>	<u>2025</u>
Prepaid Expenses	26.957.168	28.303.444
<b>Total</b>	<b><u>26.957.168</u></b>	<b><u>28.303.444</u></b>

Prepaid expenses amounting to Rp26,957,168 (2025: Rp28,303,444) mainly consist of office rent, insurance, and other advance payments. These balances are amortized over their respective coverage periods in accordance with the accrual basis of accounting.

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**6. FIXED ASSETS**

		2026		
	Beginning Balance	Additions	Deductions	Ending Balance
Cost:				
Land	3.280.601.692	-	-	3.280.601.692
Office Equipment	71.614.713	-	-	71.614.713
Guardrail	924.208.200	-	-	924.208.200
<b>Total</b>	<b>4.276.424.605</b>	<b>-</b>	<b>-</b>	<b>4.276.424.605</b>
<u>Accumulated Depreciation:</u>				
	Beginning Balance	Depreciation for the year	Disposal/ Write-off	Ending balance
Office Equipment	65.981.365	2.599.992	-	68.581.357
Guardrail	157.500.478	92.420.820	-	249.921.298
<b>Total</b>	<b>223.481.843</b>	<b>95.020.812</b>	<b>-</b>	<b>318.502.655</b>
<b>Net Book Value</b>	<b>4.052.942.762</b>	<b>95.020.812</b>	<b>-</b>	<b>3.957.921.950</b>

  

		2025		
	Beginning Balance	Additions	Deductions	Ending Balance
Cost:				
Land	3.280.601.692	-	-	3.280.601.692
Office Equipment	71.614.713	-	-	71.614.713
Guardrail	877.997.790	46.210.410	-	924.208.200
<b>Total</b>	<b>4.230.214.195</b>	<b>46.210.410</b>	<b>-</b>	<b>4.276.424.605</b>
<u>Accumulated Depreciation:</u>				
	Beginning Balance	Depreciation for the year	Disposal/ Write-off	Ending balance
Office Equipment	63.381.373	2.599.992	-	65.981.365
Guardrail	65.849.832	91.650.646	-	157.500.478
<b>Total</b>	<b>129.231.205</b>	<b>94.250.638</b>	<b>-</b>	<b>223.481.843</b>
<b>Net Book Value</b>	<b>4.100.982.990</b>	<b>48.040.228</b>	<b>-</b>	<b>4.052.942.762</b>

**7. ACCRUED EXPENSES**

	2026	2025
Audit Fee	36.585.929	33.753.250
<b>Total</b>	<b>36.585.929</b>	<b>33.753.250</b>

Accrued expenses amounting to Rp36,585,929 (2025: Rp33,753,250) primarily represent audit fees incurred during the year but not yet paid as of the reporting date. These expenses are recognized in accordance with the accrual basis of accounting.

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**8. TAXATION**

**a. Taxes Payables**

	<u>2026</u>	<u>2025</u>
Income Tax Article 21	3.488.400	-
Income Tax Article 23	384.286	-
Income Tax Article 25/29	7.527.399	320.684
<b>Total</b>	<b><u>11.400.085</u></b>	<b><u>320.684</u></b>

**b. Estimated Corporate Income Tax**

	<u>2026</u>	<u>2025</u>
Net income (loss) before tax	126.751.140	58.074.405
<u>Temporary Differences</u>		
Employee Benefits	-	9.972.937
Entertainment	19.006.071	11.095.195
Medical	-	931.000
<u>Permanent Differences</u>		
Tax Expenses	40.085.000	39.763.700
Fiscal Profit (Loss)	185.842.211	119.837.237
Less Tax Credit:	-	-
Income Tax Article 29	<u>20.442.620</u>	<u>13.182.070</u>

**c. Deferred Tax Assets**

The balance and changes of deferred tax assets for the years 31 March 2026 and 2025 are as follows:

<u>Description</u>	<u>2026</u>			
	<u>Beginning Balance</u>	<u>In Profit or Loss</u>	<u>In OCI</u>	<u>Ending Balance</u>
<u>Deferred Tax Asset</u>				
Provision for Employee Benefits	17.496.329	(17.496.329)	-	-
<b>Total</b>	<b><u>17.496.329</u></b>	<b><u>(17.496.329)</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<u>Description</u>	<u>2025</u>			
	<u>Beginning Balance</u>	<u>In Profit or Loss</u>	<u>In OCI</u>	<u>Ending Balance</u>
<u>Deferred Tax Asset</u>				
Provision for Employee Benefits	9.321.791	2.493.234	5.681.304	17.496.329
<b>Total</b>	<b><u>9.321.791</u></b>	<b><u>2.493.234</u></b>	<b><u>5.681.304</u></b>	<b><u>17.496.329</u></b>

The deferred tax asset relates to temporary differences arising from employee benefit obligations. During the year, the balance of Rp17,496,329 has been fully reversed in line with the reversal of the underlying employee benefit obligation.

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**9. ESTIMATED LIABILITIES FOR EMPLOYEE BENEFITS**

**Movement of Employee Benefit Obligation**

Description	2026	2025
Beginning balance	69.985.315	37.287.162
Expense recognized during the year	-	9.972.937
Reversal during the year	(69.985.315)	22.725.216
Ending balance	-	69.985.315

**Expense Recognized in Profit or Loss**

Description	2026	2025
Current service cost	-	8.174.538
Interest cost	-	1.798.398
Total expense recognized	-	9.972.936

As of 31 March 2026, the Company did not have any permanent or contractual employees. Accordingly, no employee benefit obligations or related expenses have been recognized during the year.

The Company's activities during the year were carried out by the President Director and supported by external service providers and consultants. Personnel-related costs arising from these arrangements are presented under operating expenses and do not fall within the scope of PSAK 219.

The employee benefit obligation of Rp69,985,315 as of the beginning of the year has been fully reversed during the year. This reversal is primarily attributable to the absence of employees and the cessation and/or settlement of prior employee-related obligations. As a result, no employee benefit obligation remains as of the reporting date.

Of the total reversal, Rp52,488,986 has been recognized as other income in profit or loss (see Note 12), while the remaining Rp17,496,329 relates to the reversal of the associated deferred tax asset (see Note 8(c)).

As there were no employees during the reporting period, no actuarial valuation has been performed and no actuarial assumptions have been applied.

Management has assessed that there are no remaining legal or constructive obligations related to employee benefits as of the reporting date.

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**10. CAPITAL STOCK**

Based on the Notarial Deed No. 29 dated October 22, 2025 by which approved by the Minister of Laws and Human Rights of the Republic of Indonesia through Decision Letter No. AHU-AH.01.09-0354916 dated October 24, 2025, the composition of shareholders as of March 31, 2026 and 2025 respectively are as follow:

<b>2026</b>			
<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Ownership</b>	<b>Amount IDR</b>
Pidilite International Pte Ltd	119.636	99%	12.035.381.600
Pidilite Middle East Ltd	1.207	1%	121.424.200
<b>Total</b>	<b>120.843</b>	<b>100%</b>	<b>12.156.805.800</b>

  

<b>2025</b>			
<b>Name of Shareholder</b>	<b>Number of Shares</b>	<b>Percentage of Ownership</b>	<b>Amount IDR</b>
Pidilite International Pte Ltd	119.636	99%	12.035.381.600
Pidilite Middle East Ltd	1.207	1%	121.424.200
<b>Total</b>	<b>120.843</b>	<b>100%</b>	<b>12.156.805.800</b>

**11. OPERATING EXPENSES**

	<b>2026</b>	<b>2025</b>
Selling Expenses:		
Salary and Wages	656.145.749	707.244.209
Transportation	40.348.945	35.891.102
Travel	26.125.448	26.860.308
Insurance Allowance	50.466.528	49.698.512
Sample Expenses	1.282.747	3.652.572
Total Selling Expenses	<u>774.369.417</u>	<u>823.346.703</u>
General and Administration Expenses:		
Professional Fee	309.986.655	291.244.015
Auditor's remuneration – current year	36.585.929	33.753.250
Post Employment Benefit	-	9.972.937
Rental	35.552.000	34.685.932
Land Tax	43.162.619	43.162.619
Fuel, Gas, And Oil	34.609.649	34.252.769
Storage Expenses	1.118.880	1.118.880
Phone and Fax	6.054.000	6.132.600
Bank Charges	272.600	284.200

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**11. OPERATING EXPENSES (Continued)**

	<b>2026</b>	<b>2025</b>
Entertainment	19.006.071	11.095.195
Tax Expenses	40.085.000	39.763.700
Repair and Maintenance	21.774.204	19.745.170
Depreciation	95.020.812	94.250.638
Postage Charges	5.086.646	2.168.697
Medical	-	931.000
Stationery	410.000	-
Miscellaneous Expenses	-	-
Total General and Administration Expenses	<u>648.725.064</u>	<u>622.561.602</u>
<b>Total</b>	<b><u>1.423.094.481</u></b>	<b><u>1.445.908.305</u></b>

Personnel-related expenses presented in this note include director remuneration and payments to external service providers, as the Company did not have any permanent or contractual employees during the year.

Personnel-related expenses amounting to Rp656,145,749 (2025: Rp707,244,209) primarily represent director remuneration and payments to external service providers and consultants, as the Company did not have any permanent or contractual employees during the year.

**12. OTHER INCOME (EXPENSES)**

	<b>2026</b>	<b>2025</b>
Application Service Income (Note 2.f)	1.534.535.987	1.560.833.744
Other Income – Employee Benefit Reversal	52.488.986	-
Realized Gains / (Losses)	(37.179.352)	(42.300.356)
<b>Total</b>	<b><u>1.549.845.621</u></b>	<b><u>1.518.533.388</u></b>

Other income presented in the statement of profit or loss amounts to Rp1,549,845,621 (2025: Rp1,518,533,388), representing the net amount after deducting realized foreign exchange loss. Gross other income before such deduction amounts to Rp1,587,024,973, comprising application service income and employee benefit reversal.

**13. PRIOR PERIOD ADJUSTMENT**

During the year, the Company identified an immaterial error in the prior year income tax computation amounting to Rp1,600,500, arising from an incomplete fiscal reconciliation. The adjustment has been recorded against opening retained earnings in the current year. The comparative financial statements have not been restated as the impact is not material.

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**13. PRIOR PERIOD ADJUSTMENT (Continued)**

In addition, the Company identified an inconsistency between the profit before tax presented in the statement of profit or loss and the amount used in the tax reconciliation for the year ended 31 March 2025. This inconsistency relates to a presentation matter in the tax reconciliation and does not affect the current tax expense, tax payable, or retained earnings previously reported.

Management has assessed that the combined impact of these matters is not material to the financial statements as a whole, and accordingly, the comparative financial statements have not been restated.

**14. FINANCIAL RISK MANAGEMENT**

**a. Objective and Policies**

Exposure to risk arises in the normal course of the Company's business. The Company monitors its risk on an ongoing basis to ensure that the net exposure is at an acceptable level.

**b. Credit Risk**

Cash and cash equivalents are placed with reputable financial institutions with high credit rating and no history of default. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheets.

**c. Liquidity Risk**

The Company monitors and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operation and to mitigate the effects of fluctuations in cash flows.

**d. Interest rate Risk**

The Company has no interest-bearing liabilities or any significant interest-bearing assets, as such the Company's income is substantially independent of changes in market interest rates.

**e. Foreign currency Risk**

The Company is exposed to foreign currency risk on service revenue that are denominated in a currency other than Indonesian rupiah. The currency giving rise to this risk is primarily United States dollar.