

PKC Group Canada Inc.
Consolidated Balance Sheets
(Canadian Dollars in Thousands, Unaudited)

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
ASSETS		
CURRENT ASSETS:		
Cash and Cash Equivalents	\$ 551	\$ 679
Accounts Receivable - Affiliates	316	191
Prepaid and Other Current Assets	36	344
Total Current Assets	<u>\$ 903</u>	<u>\$ 1,214</u>
OTHER ASSETS:		
Goodwill	4,229	\$ 4,229
Deferred Income Taxes - Asset	477	\$ 508
Total other assets	<u>\$ 4,706</u>	<u>\$ 4,737</u>
TOTAL ASSETS	<u><u>\$ 5,608</u></u>	<u><u>\$ 5,951</u></u>
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Accounts Payable - Trade	\$ (6)	\$ (5)
Accounts Payable - Affiliates	-	45
Taxes Payable	-	0
Other Current Liabilities	35	35
Total Current Liabilities	<u>\$ 29</u>	<u>\$ 75</u>
SHAREHOLDERS' EQUITY:		
Common Stock	\$ 14,126	\$ 14,126
Additional Paid In Capital	(1,193)	(1,193)
Retained Earnings	(7,354)	(7,057)
Total Shareholders Equity	<u>\$ 5,579</u>	<u>\$ 5,876</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>\$ 5,608</u></u>	<u><u>\$ 5,951</u></u>



PKC Group Canada Inc.
Consolidated Statements of Income
(Canadian Dollars in Thousands, Unaudited)

	Twelve Months Ended	
	2019	2018
Net Sales and Operating Revenue	\$ 320	\$ 188
Cost of Sales	134	165
Gross Profit	<u>\$ 186</u>	<u>\$ 23</u>
General Admin and Selling Expense	33	9
NET MARGIN	<u>\$ 154</u>	<u>\$ 14</u>
Foreign exchange (gain) loss	193	(278)
Taxes	258	(8)
Interest Expense	0	0
Non-Operating Expense / (Income), Net	0	0
INCOME AFTER TAXES	<u>\$ (297)</u>	<u>\$ 300</u>



PKC Group Canada Inc.
Consolidated Statements of Cash Flow
(Canadian Dollars in Thousands, Unaudited)

	Twelve Months Ended
	December 31,
	2019
Operating Activities	
Net income	\$ (297)
Adjustments to reconcile net income to net cash provided by operating activities:	
Deferred taxes	31
Changes in assets and liabilities:	
Accounts receivable - affiliates	(125)
Prepaid expenses and other	308
Accounts payable - trade	(1)
Accounts payable - affiliates	(45)
Taxes payable	0
Net cash provided by operating activities	\$ (128)
Financing Activities	
Dividends paid	-
Net cash used by financing activities	\$ -
Net (decrease) increase in cash and cash equivalents	\$ (128)
Cash and cash equivalents at beginning of period	679
Cash and cash equivalents at end of period	\$ 551