

PKC Group USA
Balance Sheets
(Dollars in Thousands, Unaudited)

	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>Change</u>	<u>December 31, 2017</u>
ASSETS				
CURRENT ASSETS:				
Cash and Cash Equivalents	\$ 577	\$ 577	\$ -	\$ 1,212
Accounts Receivable - Affiliates	(3,779)	(666)	(3,113)	0
Prepaid and Other Current Assets	3	3	-	3
Total Current Assets	<u>\$ (3,199)</u>	<u>\$ (86)</u>	<u>\$ (3,113)</u>	<u>\$ 1,214</u>
Investments	<u>\$ 59,599</u>	<u>\$ 59,599</u>	<u>-</u>	<u>\$ 59,599</u>
OTHER ASSETS:				
Goodwill	\$ 2,795	\$ 2,795	\$ -	\$ 2,795
Long Term Receivable - Affiliate	(123,772)	(51,772)	(72,000)	7,715
Total other assets	<u>\$ (120,977)</u>	<u>\$ (48,977)</u>	<u>\$ (72,000)</u>	<u>\$ 10,510</u>
TOTAL ASSETS	<u>\$ (64,576)</u>	<u>\$ 10,536</u>	<u>\$ (75,113)</u>	<u>\$ 71,323</u>
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES:				
Accounts Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable - Affiliates	2,106	2,030	77	2,029
Taxes Payable	-	0	-	(10)
Other Current Liabilities	0	0	-	0
Total Current Liabilities	<u>\$ 2,106</u>	<u>\$ 2,030</u>	<u>\$ 77</u>	<u>\$ 2,019</u>
LONG TERM LIABILITIES:				
Long Term Debt - Affiliate	\$ 104,626	\$ 165,819	(61,193)	\$ 212,108
SHAREHOLDERS' EQUITY:				
Common Stock	\$ 13,517	\$ 13,517	-	\$ 13,517
Additional Paid In Capital	520	520	-	520
Retained Earnings	(185,346)	(171,350)	(13,997)	(156,841)
Total Shareholders Equity	<u>\$ (171,309)</u>	<u>\$ (157,312)</u>	<u>\$ (13,997)</u>	<u>\$ (142,804)</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u>\$ (64,576)</u>	<u>\$ 10,536</u>	<u>\$ (75,113)</u>	<u>\$ 71,323</u>



PKC Group USA
Statements of Income
(Dollars in Thousands, Unaudited)

	Twelve Months Ended December 31,	
	2019	2018
General Admin and Selling Expense	-	-
NET MARGIN	\$ -	\$ -
Foreign exchange loss (gain)	\$ 77	\$ 1
Interest Expense	13,920	14,508
INCOME AFTER TAXES	\$ (13,997)	\$ (14,509)

PKC Group USA
Statements of Cash Flow
(Dollars in Thousands, Unaudited)

	Twelve Months Ended	
	December 31,	
	2019	2018
Operating Activities		
Net income	\$ (13,997)	\$ (14,509)
Changes in assets and liabilities:		
Accounts receivable - affiliates	3,113	666
Prepaid expenses and other	0	0
Accounts payable - trade	0	0
Accounts payable - affiliates	77	1
Other current liabilities	0	0
Taxes payable	0	10
Net cash provided by operating activities	\$ (10,807)	\$ (13,832)
Financing Activities		
Long Term - Affiliate	\$ 10,807	\$ 13,197
Net cash used by financing activities	\$ 10,807	\$ 13,197
Net (decrease) increase in cash and cash equivalents	\$ 0	\$ (635)
Cash and cash equivalents at beginning of period	577	1,212
Cash and cash equivalents at end of period	<u>\$ 577</u>	<u>\$ 577</u>