

ANNUAL REPORT

**FACOR TURKKROM MINING
(NETHERLANDS) B.V.**

ALKMAAR, THE NETHERLANDS

YEAR ENDED MARCH 31, 2020

FACOR TURKKROM MINING (NETHERLANDS) B.V.

INDEX

	<u>Page</u>
Report of the Board of Managing Directors	2
Balance Sheet as at March 31, 2020	3
Profit and loss account for the period ended March 31, 2020	4
Notes to the annual accounts as at March 31, 2020	5
Other information	9

FACOR TURKKROM MINING (NETHERLANDS) B.V.

REPORT OF THE BOARD OF DIRECTORS.

The Board of Directors herewith submits the annual report of Facor Turkkrom Mining (Netherlands) B.V. ("the Company") for the financial year ended March 31, 2020.

ACTIVITIES

The Company's main activity is holding of investments in other group companies.

RESULT FOR THE PERIOD

The Company incurred a loss of USD 11,656 (2018/2019: profit of USD 36,518) for the financial year ended March 31, 2020.

General

The result of the Company is dependent on dividends received from investments and on group investment decisions.

Personnel development

The average number of employees during the financial year was nil (2018/2019: nil). The Company does not expect to employ any personnel in the forthcoming financial year.

Finance development

The Company does not expect that the method of finance will significantly change in the forthcoming financial year.

BOARD OF DIRECTORS



A. Saraf
Director

Noida

FACOR TURKKROM MINING (NETHERLANDS) B.V.

BALANCE SHEET AS ON MARCH 31, 2020.

	Note	March 31, 2020 USD	March 31, 2019 USD
ASSETS			
FINANCIAL FIXED ASSETS			
Investment	3	2,015,321	2,015,321
CURRENT ASSETS			
Receivable Related Parties	4	44,081	50,831
<u>TOTAL ASSETS</u>		<u>2,059,402</u>	<u>2,066,152</u>
 SHAREHOLDERS' EQUITY AND LIABILITIES			
SHAREHOLDERS' EQUITY			
Share Capital	5	2,200,000	2,200,000
Translation Reserve	5	(557)	(557)
Deficit	5	(187,353)	(175,697)
		<u>2,012,090</u>	<u>2,023,746</u>
CURRENT LIABILITIES			
Payables to Related Parties	6	15,317	15,448
Accounts Payable and Accrued Expenses	7	31,995	26,958
		<u>47,312</u>	<u>42,406</u>
<u>TOTAL SHAREHOLDERS' EQUITY AND</u>		<u>2,059,402</u>	<u>2,066,152</u>

FACOR TURKKROM MINING (NETHERLANDS) B.V.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING ON MARCH 31, 2020.

		April 1, 2019 upto and including - March 31, 2020	April 1, 2018 upto and including - March 31, 2019
	Note	USD	USD
FINANCIAL INCOME & EXPENSES			
Currency exchange result		(2,978)	(1,529)
EXPENSES			
General and administrative expenses	8	<u>(8,678)</u>	<u>38,047</u>
RESULT BEFORE TAXATION		(11,656)	36,518
Corporate income tax	9	-	-
RESULT AFTER TAXATION		<u><u>(11,656)</u></u>	<u><u>36,518</u></u>

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2020

1. General

Facor Turkkrom Mining (Netherlands) B.V. (the Company) was incorporated on February 16, 2011.

2. Accounting principles

Basis of preparation

The accounts have been prepared in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code.

The books of the Company are kept in US dollars.

Valuation

Assets and liabilities are shown at the amounts at which they were acquired or incurred, unless otherwise stated.

Financial fixed assets comprise of investments in companies. Investments in companies are valued at cost and are written down only where there is a permanent impairment in value.

Balances in foreign currencies are translated into USD at exchange rates prevailing at that date.

The exchange rates used at balance sheet date are:

March 31, 2020: USD 1 = EUR 0,9096

March 31, 2019: USD 1 = EUR 0,8909

March 31, 2020: USD 1 = TRL 6,516

March 31, 2019: USD 1 = TRL 5,6284

Consolidation

In conformity with Article 408 Book 2 of the Dutch Civil Code, the Company does not prepare consolidated annual accounts, as they are included in the Consolidated accounts of its Holding Company.

Taxation

Domestic corporation tax is determined by applying Dutch fiscal practice rules and taking into account allowable deductions, charges and exemptions.

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2020 (Cont.)

FINANCIAL FIXED ASSETS		March 31, 2020 USD	March 31, 2019 USD
3.Investment	<u>Ownership</u>		
Cati Madencilik Ithalat ve Ihracat A.S.	100%	<u>2,015,321</u>	<u>2,015,321</u>

The Company has incorporated Cati Madencilik Ithalat ve Ihracat A.S., established in Istanbul, Turkey on June 25, 2012. On May 29, 2013 the share capital of Cati Madencilik Ithalat ve Ihracat A.S. is TL 3,700,000 (USD 2,015,321). The Company has an ownership of 100%.

CURRENT ASSETS

4.Receivable related parties

Current account Cati Madencilik Ithalat ve Ihracat A.S.	<u>44,081</u>	<u>50,831</u>
---	---------------	---------------

As per balance sheet date, the Company has 2 current account positions with Cati Madencilik Ithalat ve Ihracat A.S. of TRL 148,140 (USD 22,735) and USD 21,346.

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2020 (Cont.)

5. SHAREHOLDERS' EQUITY

The movement in shareholders' equity is specified as follows:

	<u>Share capital</u>	<u>n reserve</u>	<u>Deficit</u>	<u>Total</u>
Balance March 31, 2018	2,200,000	(557)	(212,215)	1,987,228
Result for the year	-	-	36,518	36,518
Balance March 31, 2019	2,200,000	(557)	(175,697)	2,023,746
Result for the year	-	-	(11,656)	(11,656)
Balance March 31, 2020	<u>2,200,000</u>	<u>(557)</u>	<u>(187,353)</u>	<u>2,012,090</u>

As per April 1, 2013 the Company had a share capital of 1,020 ordinary class A shares and 980 ordinary class B shares with a nominal value of USD 100 each which were issued and fully paid up. On APRIL 2, 2013 a number of 10,200 class A shares and 9,800 class B shares with a nominal value of USD 100 each were issued and fully paid up. As per balance sheet date, the Company has a share capital of in total 11,220 class A shares and 10,780 class B shares with a nominal value of USD 100 each.

CURRENT LIABILITIES

		<u>March 31, 2020 USD</u>	<u>March 31, 2019 USD</u>
6. Payables to related parties	EUR		
Current account Facor Minerals (Netherlands) B.V.		7,980	7,980
Current account Dilenburg Domestic Realty B.V.	6,654	7,337	7,468
		<u>15317</u>	<u>15448</u>
7. Accounts payable and accrued expenses	EUR		
Management fee	22,915	25267	21,231
Tax advisory fee	5,420	5976	4,961
Audit fee	-	-	-
Legal fee	512	565	576
Sundry expenses	170	187	190
		<u>31,995</u>	<u>26,958</u>

Contingent liabilities

On May 2, 2014 Cati Madencilik Ithalat ve Ihracat A.S. has entered into a Term Facility Agreement with the Bank of India for an amount of USD 1,500,000. As Security for the fulfilment of this obligation the Company has established a first degree and first ranking pledge over the shares of Cati Madencilik Ithalat ve Ihracat A.S. and all proceeds distributed or otherwise receivable in respect of or in exchange or substitution for its shares.

FACOR TURKKROM MINING (NETHERLANDS) B.V.

NOTES TO THE ANNUAL ACCOUNTS AS AT MARCH 31, 2020 (Cont.)

NOTES TO THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING MARCH 31, 2020

	2019/ 2020 USD	2018/ 2019 USD
8. General and administrative expenses		
Management fee	4,410	4,490
Tax advisory fee	1,103	1,122
Bank Charges	-	484
Tax dues	3,165	-
Provisions/payables no longer required	-	(44,143)
	<u>8,678</u>	<u>(38,047)</u>

9. Corporate income tax

The corporate income tax is based on the results of the Company, taking into account that certain income and expenses as reported in the profit and loss account are exempt from taxation.

FACOR TURKKROM MINING (NETHERLANDS) B.V.

OTHER INFORMATION

Appropriation of results

In accordance with the Company's articles of association, results are at the disposal of the shareholders. Management proposes to add the result for the period ended March 31, 2020 to the general reserves of the Company.

Audit

The management proposes not to audit the 2019/2020 financial statements due to the fact that the Company qualifies as a "small sized legal entity" and therefore no audit is required from a legal point of view.

Subsequent events

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustment or disclosure in the annual accounts as prepared.