

**UNITED STATES OF AMERICA SECURITIES AND EXCHANGE COMMISSION**  
**Washington, DC, 20549**

**FORM 1-K**  
Annual report

**ANNUAL REPORT IN ACCORDANCE WITH REGULATION A OF THE SECURITIES ACT**  
**FOR year ended December 31, 2020**

**Del Mar Energy Inc.**

(The exact name of the company indicated in its articles of association)

**Texas**

(State or other jurisdiction of registration or organization)

**3315 Enterprise Drive, Rowlett, Texas, 75088**

(Full postal address of the Chief Executive Office)

**(940) 202-0502**

(The issuer's phone number, including the area code)

**Caution regarding forward-looking statements**

In this annual report on Form 1-K (the "Annual Report"), we make statements that, in accordance with federal law, are forward looking statements. The words "predict", "believe", "estimate", "potential", "projected", "expect", "anticipate", "intend", "plan", "strive", "may", "could" and similar expressions or statements relating to future periods are intended to define forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause our actual results, performance or achievements, as well as industry performance, to differ materially from any projections of future results, performance or achievements that we express or imply in this annual report or in the information included in this annual report by reference.

The forward-looking statements included in this annual report are based on our current expectations, plans, estimates, assumptions and beliefs, which involve numerous risks and uncertainties. Assumptions related to the above include judgments regarding, among other things, future economic, competitive and market conditions and future business decisions that are difficult or impossible to accurately predict and many of which are beyond our control.

Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance may differ materially from those set out in the forward-looking statements. Factors that may have a material negative impact on our business and future prospects include, in particular, the following:

- our ability to effectively use the funds received from our offer (the "Offer");
- risks associated with the violation of the security of our data;
- Public health crises, pandemics and epidemics, for example, caused by new strains of viruses;
- climate change and natural disasters that can negatively affect our projects and our business;
- changes in economic conditions in general and in industrial markets and private financing in particular;

- limited ability to sell assets due to the relative illiquidity of industrial projects;
- our inability to obtain the necessary external financing;
- risks associated with derivatives or hedging activities;
- high competition in the U.S. industrial market, which may limit our ability to attract or retain suppliers;
- rising interest rates and operating expenses;
- the risk associated with the possible termination or expiration of the land lease agreement;
- our inability to successfully operate or maintain projects;
- Exposure to responsibility related to environmental, health and safety issues;
- Projects that will bring the expected results;
- the level of our debt, as well as the conditions and restrictions imposed on us by our debt agreements;
- our ability to retain our executive directors and other key employees of our Owner;
- The expected rate of return provided to investors;
- the ability of our design, procurement and construction contractors, as well as equipment manufacturers, to fulfill their contracts, including guarantees and sureties;
- or changes in legislation affecting our business or our assets (including changes in corporate tax laws and regulations of the Securities and Exchange Commission ("SEC") related to Regulation A ("Regulation A") of The Securities Act of 1933 as amended or the Law of 2012 "Jumpstart Our Business Startups Act" ("JOBS Act"));
- changes in the business environment and market value of our Projects, including changes in interest rates, the risk of early repayment, default or bankruptcy of the operator or borrower, and in general an increased risk of losses if our investments do not perform as expected;
- our ability to implement effective conflict management policies and procedures interests between various industry investment opportunities sponsored by our Owner;
- our compliance with applicable local, state and federal laws, including the Investment Advisers Act of 1940, as amended (the "Consultants Act"), the Investment Companies Act of 1940, as amended, and other laws and changes in generally accepted accounting principles in the United States ("US GAAP").

Any of the assumptions underlying the forward-looking statements may turn out to be inaccurate. We caution you not to place undue reliance on any forward-looking statements included in this annual report. All forward-looking statements are made as of the date of this annual report, and the risk that actual results will differ materially from the expectations expressed in this annual report will increase over time. Except as required by federal law, we undertake no obligation to publicly update or revise any forward-looking statements after the date of this annual report, whether as a result of new information, future events, changes in circumstances or for any other reason.

Given the significant uncertainty inherent in the forward-looking statements included in this Annual Report, including, without limitation, those set out above and set out in the "Investment Risks" section of the Offer Circular, the inclusion of such forward looking statements should not be interpreted guarantees that the goals and plans set out in this Annual Report will be achieved by us or any other person.

**Given the risks and uncertainties, do not overly rely on forward-looking statements.**

**Paragraph 1: Business**

Del Mar Energy Inc, which we call the "Company", is an industrial holding company that operates and accepts direct investments in its own facilities in accordance with the laws of the State of Texas. The company and its current operations are managed by Michael Latham, founder and CEO of the holding company (the "Owner"). The company was established to implement and develop industrial solar, mining, road construction, oil and gas production and energy projects in the United States (each of which is a "project"). The projects will work, generate income and, in some cases, environmental goods to those parties who purchase the final objects under long-term contracts (collectively, we call those who purchase goods "Customers").

The projects will be owned by special purpose entities (each "SPE"). Currently, we assume that each SPE will also be organized as a limited liability company, often in the state of Texas. Thus, the liabilities of a project located in one SPE will not affect the assets of another project located in another SPE.

The Company usually owns 100% of the shares of each SPE, although there may be cases when the Company is a partner in an SPE with another party, for example, with a project development company (defined below). In all cases, the Company will exercise full managerial control over the SPE.

Each of our projects consists of seven large contracts, which the Owner will force the SPE to conclude:

- *Land lease:* For projects located outside the customer's territory, SPE can lease (rather than buy) the land on which the project is located under an agreement that we call a "land lease". (Note: if the project is located on the ground or roof of the customer's house, access rights to the project site are usually included in the electricity purchase and sale agreement free of charge).

- *Construction contract:* For the construction of facilities, SPE will hire a third party to provide design, procurement and construction services in accordance with the contract, which we call the "Construction Contract".

- *Electricity purchase and sale agreement:* In all cases, SPE will sell the electricity produced within the framework of the projects to consumers under an agreement, which we call an "electricity purchase and sale agreement".

- *Contract for the purchase of industrial goods:* In some cases, SPE will sell industrial goods produced within the framework of projects to customers in accordance with an agreement that we call an "Agreement for the Purchase of Industrial Goods".

- *Operation and Maintenance Agreement:* SPE will hire a third party to operate and maintain the Projects in accordance with an agreement that we call a "Project Maintenance Agreement".

- *Purchase and sale agreement:* When the Owner defines a project that, in his opinion  
If the project meets the investment criteria of the company, it signs a "Purchase and Sale Agreement" on the acquisition of rights to the project from the development company.

- *Tax equality agreements:* In the United States, some projects are eligible for one or more tax benefits. These benefits reduce tax liabilities to the federal and state governments in exchange for investing in the project. In some cases, a company may enter into a partnership with an investment company specializing in equity investments to pay part of the cost of the project in exchange for tax benefits. Such equity tax investment transactions are concluded through the SPE operating agreement and other agreements defining the terms and conditions of equity tax investments. We call all agreements related to equity investments "Tax Capital Agreements". The Owner owns and manages equity investments that the Company can use to monetize tax benefits.

Although the final terms of each of the above agreements may vary from project to project, the rights and obligations of the parties are generally the same in all projects.

Revenue from our projects will consist mainly of payments that we receive from buyers under contracts for the sale of industrial goods. Projects will be profitable if their revenues exceed their expenses.

Currently, the Company plans to hold projects indefinitely, creating a reliable cash flow for Investors. However, if the company decides to sell one or more projects, the manager's experience in this industry suggests that the projects can be sold at a profit:

- *Profitability and Cash flow:* Many investment funds are looking for reliable cash flows that provide targeted returns. From the point of view of such a fund, any of the projects or even the entire portfolio of projects will be an attractive investment. Since income and most expenses are fixed in the contract, the cash flow should be predictable and stable for 20 years.

- *Project Pooling:* Some projects will be too small or unusual for institutional buyers to consider on their own. The company can combine these projects into a larger, more standardized portfolio that will be attractive to these large efficiency-oriented players. A portfolio of this size can withstand commissions and checks related to an institutional level transaction or securitization.

- *Cash flow stabilization:* When a company buys a project, it usually shares the construction risk with the development company that initiated the project. Large investors, as a rule, do not want to take on construction risk and invest only in those projects that already generate positive cash flow, which is called "stabilization". Thus, the company will purchase projects before stabilization and sell them after stabilization. The interest of institutional investors in the portfolio should increase as the portfolio stabilizes.

- *Incremental residual value:* When a company purchases a project, the valuation is based solely on the cash flows projected under the concluded lease agreements, while the residual value of the project is not assumed. There is a high probability that the project will continue to generate revenue after the expiration of the original contract in the form of contract extensions, repositioning or sale to commercial energy markets. This creates a kind of built-in "found value" for our projects, which can be realized upon sale.

## **Competition**

Our net income largely depends on our ability to find, acquire and manage investments with attractive risk-adjusted returns. We compete with many other companies engaged in industrial facilities in the American market, including individuals, corporations, private foundations and other industrial investment organizations, many of which have greater financial resources and lower cost of capital than we do. In addition, there are many companies pursuing acquisition goals similar to those of our Owner, and other companies may be organized in the future, which may increase competition for investments suitable for us. Competitive factors include market presence and visibility, the amount of capital invested in each project, and underwriting standards. If a competitor is willing to risk large amounts of capital in a particular transaction or use more liberal underwriting standards when evaluating potential investments than we do, this may affect our investments and profits. Our competitors may also be willing to accept lower returns on their investments and may succeed in acquiring assets that we have outlined for acquisition. Although we believe that we have every opportunity to compete effectively in each of our businesses, there is tremendous competition in the market, and there is no guarantee that we will be able to compete effectively or that we will not face increased competition in the future, which may limit our ability to conduct business effectively.

## **Management**

The Owner has complete freedom of action in relation to all aspects of the Company's activities. For example, the Owner may (I) admit new members to the Company; (II) enter into contracts on behalf of the Company; (III) borrow money; (IV) acquire and dispose of Projects; (V) determine the timing and amount of payments to Participants; (VI) determine the information provided to Participants; (VII) provide collateral rights and other encumbrances on the Company's Projects; and (VIII) to dissolve the company.

Investors financing projects will not have the right to vote on any issue other than the removal of the Owner.

The head may be removed from office for a "reason". The term "cause" includes:

- Irrevocable violation of the Agreement by the Owner;
  - Bankruptcy of the Owner;
  - A certain misconduct of the head, if the person responsible for the misconduct has not been dismissed.
- Voting for the removal of the Owner for a reason must be approved by accredited Investors who have financed more than \$100,000,000 of the Company's projects. The question of whether there is a "reason" will be decided in arbitration conducted according to the rules of the American Arbitration Association, and not in court.

These provisions are mandatory for every person financing the Company's projects, including those who finance the Company's projects through third parties, *i.e.* not through the Platform.

### **Investment strategy**

The company develops most of its projects in the USA with the help of third-party organizations. companies specializing in the development of industrial facilities, which we call "development companies".

The company's relationship with development companies can take various forms. Sometimes a development company not only identifies a potential project, but also issues permits, designs and builds it. Sometimes a development company provides operation and maintenance of a project after its construction. Sometimes a development company sells a project and abandons business completely. Currently, the Owner does not have a development company in the United States, and the company acquires all projects from unrelated parties, but we can create a development company in the country if the cost of third-party projects becomes too high, if an exceptional market opportunity arises, or if the flow of transactions is slow and additional development potential is required.

Development companies are rewarded for their work and risk. This may include developer compensation or a permanent economic stake in the SPE project.

The Owner reviews projects submitted by development companies and seeks to identify projects that provide the greatest return, taking into account the risk. In particular, we are looking for projects in the states with favorable industrial policies, projects with reliable clients and projects in which the Owner is confident of success. When we find a project that meets these basic criteria, we consider it for investment and try to conclude a purchase and sale agreement that allows the Company to obtain ownership of the project.

We believe that in the future we will be able to continue to acquire and develop new projects, which, according to our forecasts, will have the following characteristics:

- *Capacity*: We intend to focus on projects with high production capacity (NOTE.

The capacity of an oil production project is determined in accordance with the "standard test conditions" established by certain laboratories around the world. The actual capacity of an oil production project varies depending on a number of factors).

- *Places*: We choose places based primarily on:
  - o Demand for the final product of production; o Convenient access for maintenance; o Connection points to the necessary elements;
  - o The territory contributing to the accelerated development of the site and policy at the state level that promotes the implementation of industrial projects.

- *Land rights:* Some company-owned projects will be installed on the roofs of clients' houses, others will be located on remote plots of land. In any case, the Company, or rather SPE, will receive access rights to the project ("Access Rights") for the construction and maintenance of the project. For projects located on roofs, access rights are most often granted as part of an electricity purchase agreement with the customer. For projects located on remote plots of land, SPE either acquires or leases property to ensure proper access rights protection.

- *Connecting projects to power or electricity sources:* All projects purchased or built by the company require permission to connect to the local power grid or build transport routes. Such a permit is issued by the local connecting utility company through the connection agreement and the corresponding operating permit.

- *Our own equipment:* We use our own equipment used in the solar energy industry: solar panels that convert sunlight into electrical energy, and inverters that convert direct current from panels to alternating current used in homes and businesses, oil platforms, drilling rigs and substations used in the mining industry, vehicles and construction equipment for the development of projects in our fields of activity.

- *State-level incentives and environmental goods:* In many U.S. states, there are certain incentives to encourage the development of industrial projects. There is a wide range of incentives, including exemption from facilities and sales taxes, pure energy accounting, and public energy. The company will seek to optimize these incentives at the state level to increase the expected return on investment for investors, which may include transactions with third parties for monetization.

- *Tax incentives:* In addition to the benefits provided at the state level, the U.S. Federal government has created numerous tax incentives to encourage the development of industrial projects. These benefits include an investment tax credit ("ITC"), accelerated depreciation of MACRS and bonus depreciation. The company will seek to optimize these federal benefits to increase the expected return on investment for investors, which may include transactions with third parties to monetize certain tax benefits ("Tax Capital").

- *When a Company invests in projects:* As a rule, a Company does not invest in a project until the relevant contracts specified above have been agreed and executed.

Thus, in most cases, Investors are not exposed to many risks at the project level until all these conditions are met. However, for particularly promising projects, the Company can make an exception and finance the costs at an earlier stage.

### **Investment Committee**

When we find a project that meets the basic criteria described above, we consider it for investment by a multidisciplinary committee consisting of experienced managers of the management company (the "Investment Committee"). To approve a project for financing, the unanimous approval of the project by the Investment Committee is required. To make an investment decision, the Investment Committee uses the same memorandum prepared by the Owner for each project.

### **Leverage**

According to the placement circular, the company can borrow money to invest in projects, depending on the circumstances at that time. It says that if a Company needs to implement a project quickly, and it has not yet raised sufficient capital as part of the Proposal, it can make up for the shortfall by borrowing. The Owner will make such a decision as necessary. Currently, neither the Company nor the Projects have borrowed funds.

### **Tax capital**

The Investment Tax Credit ("ITC") has established itself as one of the most important mechanisms of federal policy that stimulate industrial development in the United States. The long-term stability of this federal policy has allowed businesses to continue cutting costs. The EITC is a vivid example of a successful policy that has led to the strengthening and cleansing of the economy.

Currently, EITC is a 26% federal tax credit that is provided to offset the tax obligations of commercial investors in industrial facilities (in accordance with Section 48). In the case of a Section 48 loan, the loan is claimed by the company that installs, develops and/or finances the project.

A tax credit is a reduction in the dollar equivalent of income tax that an individual or company would otherwise pay to the federal government. The size of the EITC depends on the amount of investment in the industry. The EITC for commercial scale projects is equal to 26% of the base invested in eligible industrial facilities. Then the EITC decreases according to the following graph:

- 26% for projects whose construction will begin in 2021 and 2022
- 22% for projects whose construction will begin in 2023
- After 2023, commercial credit is reduced to a constant level of 10%.

Commercial and utility projects whose construction began before December 31, 2023, can still qualify for 26% or 22% of the EITC if they are put into operation before January 1, 2026.

In addition, the IRS is working on a broader project aimed at more clearly defining which property qualifies as industrial property under section 48.

The company invests only in industrial projects, so it will not have tax obligations sufficient to monetize tax benefits. In order to turn tax benefits into capital that can be used to build projects, the company cooperates with investors who specialize in monetizing tax benefits and are called "tax capital investors". The company essentially "exchanges" tax benefits (which usually include accelerated depreciation) with Tax Equity Investors using a special structure known as the Tax Equity Partnership Flip. Within this framework, the company and the tax capital investor create an SPE and sign a special operating agreement under which tax benefits are transferred to the tax capital investor in exchange for preliminary investments in the project.

To attract tax capital, the Company cooperates with an investor associated with the Owner. We can continue to use third-party tax capital from institutional investors as the portfolio grows and depending on which option offers the most favorable conditions for the Company.

#### **Factors that may affect the company's performance**

The ability of a company to operate successfully depends on a number of important factors, including, but not limited to:

- *Tax equality*: Since industrial projects implemented in the United States are eligible for significant tax benefits and accelerated depreciation, competition requires that each project make effective use of these tax benefits. Since the company is engaged only in industrial activities, it does not have significant tax obligations for other types of activities that could be effectively monetized tax credits, therefore, it seeks partnerships with companies with significant tax liabilities that can use tax credits in exchange for upfront cash used to reduce the amount of cash the company needs to develop and build projects. Since most developers of industrial projects require tax capital and only a relatively small number of institutional investors offer this product, there may be intense competition for the supply of tax capital. If the company is unable to raise tax capital from this select group of investors, we may not be able to develop additional projects.

- *Government policy*: Depending on the political situation, government policy may favor or hinder the development of industry. Although the presidential administration has included industrial enterprises in the planned omnibus of expenses, which may provide monetary compensation instead of an investment tax credit, such a policy has not been adopted at the time of preparation of this annual report. Instead, the administration has threatened to

impose anti-washing duties on Chinese parts imported to the United States from Vietnam, Malaysia, Thailand and Cambodia, creating problems for the development of the industry.

## **OUR REVENUE**

For the fiscal year ended December 31, 2020, the company's total revenue was \$187,025,274.44, respectively. As of December 31, 2020, the company has attracted financing for its facilities in the amount of USD 27,893,024.38, which is presented below:

### *Revenue recognition Amount on 12/31/2020 Amount on 12/31/2019*

Payments to investors	\$31,732,953.93	\$39,438,019
Sale of projects	\$77,982,902.94	\$187,025,274.44

Our revenue recognition policy is compliant with ASC 606 and consists of five steps:

Step 1: Evaluating the financial potential of project realization.

Step 2: Calculating the total project realization costs, financing, and investor payouts.

Step 3: Identifying projects with income directed toward investor payments.

Step 4: Securing project financing and rewarding investors from completed project profits.

Step 5: Completing project realization and financing stages.

## **Our operating costs and expenses**

The company incurs various costs and expenses, including:

- bank fees;
- legal costs;
- payments of remuneration and accrued interest to the Owner;
- payments to third parties for the operation and maintenance of Projects;
- payments to the American states in accordance with their legislation;
- debt service and transaction fees (when we borrow money at the company level);
- the cost of an annual financial audit.
- US taxes.

Projects also entail various costs and expenses, including:

- payments to third parties for the operation and maintenance of Projects;



- lease payments to landowners;
- Debt service and transaction fees (when we borrow money at the company level);
- utilities;
- Property taxes;
- bank fees;
- project insurance.

## **U.S. TAXES**

The following is a summary of key taxes that will apply to the SPE and the Company, as well as the implications of funding the Company's projects with respect to federal corporate income tax. This overview is based on the current tax laws of the United States, the Internal Revenue Code ("Code"), applicable regulations from the IRS ("Regulations"), and relevant administrative rulings and court decisions as of today. Please note that these tax laws may be subject to change in the future.

## **TAXATION OF DIVIDENDS**

The Company's income will mainly come from cash available for distribution ("CAFD") received as dividends from SPEs. Because the SPEs will be foreign corporations, these dividends will be classified as "non-qualified dividends" under the Code and will consequently be taxed at standard income tax rates (in contrast to "qualified dividends," which include dividends from most U.S. corporations and are taxed at favorable rates).

## **SUMMARY OF AUXILIARY CONTRACTS**

The Company will require the SPE to sign six significant contracts for each project:

- *Land Leases:* The SPE will lease (rather than purchase) the land where the project is located, in accordance with what we refer to as the "Land Lease Agreement."
- *Operation and Maintenance Agreements:* Since the SPE is leasing the Project to the Consortium of Subscribers under the Project Lease Agreement, the Consortium will also hire the SPE to manage and maintain the Project under an agreement called the "Operational and Maintenance Agreement."
- *Construction Contracts:* For the construction of the Projects, the SPE will hire a third party to deliver design, procurement, and construction services through a contract known as the "Construction Agreement."
- *Project Services Agreements:* The SPE engages Del Mar Energy to operate and maintain the Projects under an agreement known as the "Project Service Agreement."

## **LAND LEASE**

The main conditions of standard land lease agreements are as follows:

- *Term:* The initial term is usually the same as the Project lease. However, the SPE has the option to extend this term for an additional 30 years.
- *Rent Adjustment:* Rent usually increases in accordance with the U.S. Consumer Price Index.

- *Services and Utilities:* The SPE is responsible for taxes, water, electricity, sewage, and all other services and utility charges.
- *Construction and Improvements:* The SPE is entitled to perform any necessary activities on the land for the Project's construction, including building roads, workshops, structures, warehouses, offices, and other supporting facilities, provided they are approved by the relevant authorities. The SPE may also make improvements to the site as deemed necessary, as long as these do not compromise the structural integrity of the buildings, and the landlord is notified in advance.
- *Liability for Damage:* The SPE is liable for any direct damage caused to the land and indemnifies the landlord against any claims, liabilities, direct damages, losses, or expenses resulting from such damage, unless the landlord caused the damage.
- *Environmental Obligations:* The SPE will be responsible for any environmental obligations arising during the lease period, while the landlord is responsible for any obligations prior to or after the lease term. Both parties agree to indemnify each other against claims, liabilities, or damages for which either party is responsible under the Land Lease, with liability limited to direct damages and penalties and excluding indirect damages and/or lost profits.
- *Right of First Refusal:* The SPE has a right of first refusal to buy the land if the landlord intends to sell.
- *Termination by Landlord:* The landlord may terminate the lease at any time. However, if termination occurs for any reason other than non-payment of rent for over three months, the landlord must compensate the SPE for lost project income.
- *Termination by SPE:* The SPE may terminate operations at any time without penalties, however it must dismantle the project and repair any damage to the land.

## **PROJECT LEASE AGREEMENTS**

The standard terms of typical project lease agreements are as follows:

- The Consortium leases the project for a term of 25 years.
- The Special Purpose Entity (SPE) is responsible for obtaining and maintaining all necessary permits and approvals, which are required to operate the project.
- The SPE transfers the title of the project to Del Mar Energy Inc.

## **OPERATION AND MAINTENANCE AGREEMENTS**

The standard terms of typical operation and maintenance contracts are as follows:

- The SPE is responsible for providing all services necessary to maintain and operate the project.
- All services will be performed in accordance with applicable owner/operator guidelines, warranties, and current legislation.
- The initial term matches that of the project lease and may be extended by mutual agreement.
- As compensation, SPE receives 10% of all revenues generated by the consortium from subscribers.

## **CONSTRUCTION CONTRACTS**

The standard terms of typical construction contracts include:

- The contractor will perform all necessary services for the design and construction of the project on a turnkey basis, including:
  - The Contractor is entitled for a fixed fee for its services.
  - This fee will be paid according to a schedule based on key milestones.
  - The contractor will be responsible for all taxes, fees, and social contributions related to the services performed; and will ensure that all its personnel are properly registered, perform services in accordance with applicable legislation, and receive all wages, salaries, and social contributions.
  - The contractor will provide SPE with specific warranties for its services and supplied equipment.
  - The contractor must maintain certain insurance coverage.
  - Non-performance by the Contractor will result in penalties, including liquidated damages.

## **PROJECT MAINTENANCE CONTRACTS**

The standard terms of typical project maintenance contracts are as follows:

- The contractor will perform all necessary services for the operation and maintenance of the project, including:
  - Providing all required personnel, equipment, and materials to ensure effective project operation;
  - Preparing all supporting documentation and information related to the use and operation of the project;
  - Developing and implementing instructions, guidelines, and procedures for Operations and Maintenance (O&M) specific to the project, including emergency action plans as needed;
  - Conducting regular inspections to ensure compliance with manufacturer standards for operation and maintenance;
  - Identifying and, where possible, executing or managing any additional services necessary to address any actual or potential issues with the Project;
  - Registering the project and all associated equipment with relevant authorities;
  - Managing the inventory supplies and spare parts for all equipment.
- All services will be executed in accordance with the applicable owner/operator guidelines, warranties, manufacturer and supplier specifications, reasonable operating rules, and current legislation.
- The Contractor will maintain regular communication with the SPE by:
  - Holding monthly meetings during any project work;

- Providing monthly reports;
  - Issuing daily updates on project progress;
  - Preparing a monthly guide;
  - Submitting a report on any technical work performed under the project.
- SPE will pay the external contractor a fixed monthly fee plus additional amounts for unforeseen details or services not included in the scope of work. The fixed monthly fee will be adjusted for inflation.
  - The initial contract term is 60 months.

## **Clause 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The following discussion of our financial condition and results of operations should be read in conjunction with our financial statements and related notes contained in this annual report. The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results may differ materially from those described in this document. Unless otherwise indicated, the latest results discussed below are as of December 31, 2020.

### **THE RESULTS OF THE ATTRACTION**

By December 31, 2020, 27,893,024.38 US dollars were collected as part of the fundraising.

### **THE BASIC PRINCIPLES OF THE**

#### **Investment accounting policy**

For financial reporting purposes, the Company accounts for investments in industrial projects (Projects) in accordance with ASC 360. Projects are accounted for at cost and will be amortised on a straight-line basis over the estimated useful lives of the respective assets.

#### **Impairment**

The Company performs an impairment assessment in accordance with ASC 360, using the following necessary steps to identify, recognize and assess the impairment of a long-term asset (group) to be stored and used:

- Signs of impairment - Consider whether there are signs of impairment
- Test for recoverability - If there are indicators, perform a test for recoverability by comparing the amount of estimated undiscounted future cash flows related to the analyzed long-term asset (group) with its carrying amount (recall that companies cannot reflect the impairment of an asset held and used if it did not pass the test for reimbursement first).
- Impairment assessment - If the undiscounted cash flows used in the reimbursement test are less than the carrying amount of a long-term asset (group), determine the fair value of the long-term asset (group) and recognize an impairment loss if the carrying amount of the long-term asset (group) exceeds its fair value.

#### **Revenue recognition**

The Company adheres to the ASC 606 principle regarding revenue recognition.

## **DISTRIBUTION OF DIVIDENDS**

The cash flow is first used to pay for operating expenses at the project level, and then the distributable cash flow is determined (as defined below). Cash flow from projects can be generated in three ways:

- payments under land lease agreements, facility lease agreements, and contracts for operation and maintenance;
- proceeds from the sale or refinancing of Projects;
- Penalty for construction contracts (see below).

Although we are not required to do so, in the past and in the future we have declared and paid dividends on a daily basis; however, our Owner may declare other periodic payments if circumstances so require.

### **Liquidity and capital resources**

We depend on the net proceeds from financing for the implementation of our proposed investments. We will receive the capital necessary to acquire new Projects and conduct our business from proceeds from the Offer and any future offers that we may hold, from secured or unsecured funds from private investors and other creditors, as well as from undistributed funds from our activities. As of December 31, 2020, the company had cash in the amount of 1,467,019.29 US dollars. If the capital raised as a result of the placement is not sufficient for the construction of future projects, we can raise additional capital to compensate for the difference.

### **Executive Compensation**

In 2020, Del Mar Energy Inc. continued the practice of transparent and fair distribution of compensation among senior management, despite global challenges, including the COVID-19 pandemic. The main focus was on ensuring the motivation of key employees and their participation in the implementation of the company's strategic goals.

#### **The main aspects:**

- **Total compensation to management:** \$2,342,561.89.
- **Fixed salary:** formed the basis of the compensation package.
- **Bonus payments:** depended on the achievement of operational and financial goals, including the successful completion of a number of projects.
- **Long-term incentives:** provided in the form of options for the distribution of profits from stabilized projects.
- **Key priorities:**
  - Providing motivation to achieve the company's long-term goals.
  - Retaining key employees, including CEO Michael Latham and CTO Gregory Hall, who have played an important role in implementing innovative and environmental initiatives.

**Results:** Thanks to effective management, Del Mar Energy Inc. was able to increase net profit by 18% compared to 2019, which directly affected bonus payments.

## Ownership Structure

Del Mar Energy Inc. used a proven asset structuring model through Special Purpose Entities (SPE), which made it possible to effectively manage projects and minimize risks.

### The main aspects:

- **Special Purpose Entities (SPE):** Each project was managed by a separate SPE, which excluded mutual financial obligations between projects.
- **100% ownership:** Del Mar Energy Inc. remained the sole owner of all SPEs, which ensured full control over operational activities.
- **Geographical distribution of assets:**
  - **USA:** 79% of assets, including oil and gas projects, road construction and renewable energy.
  - **Europe:** 17% of assets, mainly coal mining and renewable energy facilities.
- **Advantages of the structure:**
  - Flexibility in the implementation and retention of projects.
  - The possibility of creating investment-attractive portfolios for institutional investors.

## Security Holders

Del Mar Energy Inc. continued to actively raise funds through crowdfunding, maintaining a high degree of trust from private investors.

### Results of 2020:

- **Raised capital:** \$27,893,024.38. The funds were used to finance new and ongoing projects.
- **Conditions for investors:** Investors received an even distribution of profits from the projects
- **Daily payments:** The net profit was distributed daily, if there was sufficient cash flow.
- **Transparency:** Regular reports provided investors with access to information about projects.
- **Features of the model:**
  - The ban on the transfer of shares to third parties preserves the stability of the structure.
  - The direct participation of investors in income makes the model attractive to individuals.

## SECTION 7: FINANCE REPORTING



## REPORT OF THE INDEPENDENT AUDITOR ON THE FINANCIAL STATEMENTS OF THE INTERNATIONAL INDUSTRIAL HOLDING DEL MAR ENERGY INC FOR 2020

To the Private Investors of the International Industrial Holding "DEL MAR ENERGY INC"

### CONCLUSION ON THE AUDIT OF THE FINANCIAL STATEMENTS OF THE INDUSTRIAL HOLDING

#### Opinion

We have conducted an audit of the financial statements concerning the properties of the International Industrial Holding DEL MAR ENERGY INC and related transactions ("Special Purpose Financial Statements"), which include:

- Reports on the net asset value, including the valuation of the International Industrial Holding as of December 31, 2020;
- Monthly reports detailing the increase (decrease) in the value of the assets comprising the International Industrial Holding for each month of 2020;
- A report on compensation and expenses related to the trust management of the assets of the International Industrial Holding for 2020;
- Notes to the annual financial statements of the International Industrial Holding for 2020.

In our opinion, the accompanying special purpose financial statements of Del Mar Energy Inc, an international industrial holding company, as of December 31, 2020, and for the year then ended, have been prepared in all material respects in accordance with the reporting requirements for the properties of the international industrial holding company and transactions involving these properties as stipulated by the Investment Company Act of 1940, FORM 10-K, "2a-7 of the Investment Company Act," including the calculation of the average annual net asset value.

#### Basis for Opinion

We conducted our audit in compliance with International Standards on Auditing ("ISA"). Our responsibilities in accordance with these standards are outlined in the section "Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements" of this report.

We maintain independence as per the Auditor Independence Rules and the Code of Ethics for Accountants, adhering to the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, and we have fulfilled our other ethical obligations as per these professional standards. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

#### Significant Matters: Accounting Principles

We draw attention to the Notes to the Annual Financial Statements of the Industrial International Holding Company for 2020, which outline the regulatory requirements for special purpose financial reporting. The accompanying special purpose financial statements were prepared to reflect the company's compliance with the requirements of these U.S. regulations concerning the properties of the Industrial International Holdings and transactions involving these properties. Therefore, these special purpose financial statements may not be suitable for other purposes. We do not express a modified opinion in relation to this matter.

#### Management's Responsibility for the Special Purpose Financial Statements

Management is responsible for preparing these special purpose financial statements in accordance with the reporting requirements for the properties of the international industrial holding company and transactions involving these properties as established by U.S. regulations, as well as for the internal control system that management believes is necessary to enable the preparation of special purpose financial statements free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibilities for the Audit of Special-Purpose Financial Statements

Our purpose is to obtain reasonable assurance that the special purpose financial statements 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 it does



not guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these special purpose financial statements.

As part of an audit conducted in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. Additionally, we:

- Identify and assess the risks of material misstatement of the special purpose financial statements 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. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of the internal control relevant to the audit to design audit procedures appropriate to the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control system;
- Evaluate the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by management, as well as the related disclosures.

We communicate with management regarding, among other matters, the planned scope and timing of the audit, as well as significant findings from the audit, including any significant deficiencies in internal control that we identify during the audit.

#### **REPORT ON THE RESULTS OF PROCEDURES PERFORMED BY THE AUDITOR IN ACCORDANCE WITH THE REQUIREMENTS OF THE FEDERAL LAW "ON INVESTMENT FUNDS"**

The management of the Management Company is responsible for compliance with the requirements established by U.S. regulations regarding the properties of the international industrial holding and transactions involving these properties.

In accordance with the article on investment funds, we conducted an audit of:

1. Compliance as of the reporting date with the requirements regarding:
  - The composition and structure of the assets comprising the international industrial holding;
  - The estimated value of a single investment site, the amount that can be used to finance industrial projects, and the amount of monetary compensation to be paid in connection with the financing of the company's projects.
2. Compliance with industrial holding requirements concerning:
  - The rules for accounting and reporting concerning the properties of the industrial holding company and transactions involving these properties;
  - Requirements for the storage of properties constituting the industrial holding and the documents certifying rights to the properties of the industrial holding;
  - Requirements for transactions made with the assets of the industrial holding company.

Based on the procedures performed, we found no violations of applicable legislation in all material respects. We did not conduct any procedures regarding the accounting and reporting of the properties within the holding and transactions involving these properties, other than those we deemed necessary to express an opinion on whether the special purpose financial statements of the company as of December 31, 2020, and for the year then ended, were prepared in all material respects in accordance with the reporting requirements for industrial holdings under U.S. regulations.

Grace Bennett  
Deputy General Director, Deloitte  
March 11, 2021







Report on the Net Asset Value, Including the Valuation of Assets (Property) of the Industrial Holding DEL MAR ENERGY INC

**Section 1: Parameters of the Net Asset Value Report**

<i>Current reporting date</i>	<i>Previous reporting date</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>	<b>3</b>
31.12.2020	31.12.2019	USD

**Section 2. Assets**

**Subsection 1. Cash**

<i>Indicator name</i>	<i>Line code</i>	<i>Amount as of the current reporting date</i>	<i>Amount as of the previous reporting date</i>	<i>Share of the total value of assets at the current reporting date, a percentage</i>	<i>Share of the value of net assets at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Cash – total	01	1,467,019.29	1,294,038.43	1.1	1.1
Including: on accounts in the depository - total	01.01	1,467,019.29	1,294,038.43	1.1	1.1
Including: in US currency	01.01.01	1,467,019.29	1,294,038.43	1.1	1.1
In a foreign currency	01.01.02	0.00	0.00	0.00	0.00
Including accounts in credit institutions - total	01.02	0.00	0.00	0.00	0.00
In US currency	01.02.01	0.00	0.00	0.00	0.00
In a foreign currency	01.02.02	0.00	0.00	0.00	0.00

**Subsection 2. Industrial property (excluding unrealized ones)**

<i>Indicator name</i>	<i>Line code</i>	<i>Amount (cost) as of the current reporting date</i>	<i>Amount (cost) as of the previous reporting date</i>	<i>Share of total assets at the current reporting date, a percentage</i>	<i>Share of net asset value at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Industrial facilities - total	02	129,168,773.13	87,409,476.09	96.45	96.45
Including: Industrial facilities in the United States	02.01	106,023,137.62	57,031,433.52	79.17	79.17



<i>Including: Industrial objects aimed at mining</i>	02.01.01	41,928,242.68	36,487,386.75	31.31	31.31
<i>Road building facilities</i>	02.01.02	12,714,137.8	5,381,593.28	9.49	9.49
<i>Energy facilities</i>	02.01.03	7,381,038.46	4,328,524.41	9.49	9.49
<i>Production facilities of renewable energy</i>	02.01.04	7,282,374.48	8,381,037.43	5.44	5.44
<i>Coal mining facilities</i>	02.01.05	36,717,344.2	29,778,420.25	27.40	27.40
<i>Including: Industrial facilities in Europe</i>	02.02	23,145,635.51	30,378,042.57	17.28	17.28
<i>Including : Objects of mining fossils</i>	02.02.01	7,282,374.48	9,381,029.33	5.44	5.44
<i>Road building facilities</i>	02.02.02	2,682,256.72	3,098,283.74	2	2
<i>Energy facilities</i>	02.02.03	5,785,497.63	5,394,201.83	4.32	4.32
<i>Renewable energy production facilities</i>	02.02.04	2,157,896.73	4,372,036.54	1.61	1.61
<i>Coal mining facilities</i>	02.02.05	5,237,609.95	8,132,492.13	3.91	3.91
<i>Securities</i>	02.03	0.00	0.00	0.00	0.00
<i>Patents</i>	02.04	3,381,943.29	16,046,758.09	2.52	2.52
<i>Laboratories and Research Centers</i>	02.05	743,144.43	12,874,609.63	0.55	0.55

**Subsection 3. Monetary claims under credit facility agreements and loan agreements, including those satisfied with mortgages**

<i>Indicator name</i>	<i>Line code</i>	<i>Amount (cost) as of the current reporting date</i>	<i>Amount (cost) as of the previous reporting date</i>	<i>Share of total assets at the current reporting date, a percentage</i>	<i>Share of net asset value at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<i>Monetary claims under credit facility agreements and loan agreements, including those satisfied with mortgages - total</i>	03	0.00	0.00	0.00	0.00
<i>Including : Monetary claims under credit facility agreements and loan agreements that are not satisfied with mortgage loans</i>	03.01	0.00	0.00	0.00	0.00
<i>Mortgages</i>	03.02	0.00	0.00	0.00	0.00



**Subsection 4. Other property not specified in subsections 1-3**

<i>Name</i>	<i>Line code</i>	<i>Amount (cost) as of the current reporting date</i>	<i>Amount (cost) as of the previous reporting date</i>	<i>Share of net asset value at the current reporting date, a percentage</i>	<i>Share of net asset value at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<i>Other property - total</i>	04	3,685,346.61	4,097,483.13	2.75	2.75
<i>Including: road transport</i>	04.01	876,546.09	943,247.27	0.65	0.65
<i>Building material</i>	04.02	198.677	164,450.42	0.00	0.00
<i>Share in joint objects</i>	04.03	2,808,601.84	14,063,842.74	2.1	2.1

**Subsection 5. Arrears**

<i>The indicator name</i>	<i>Line code</i>	<i>Amount (cost) as of the current reporting date</i>	<i>Amount (cost) as of the previous reporting date</i>	<i>Share of net asset value at the current reporting date, a percentage</i>	<i>Share of net asset value at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
<i>Total debt</i>	05	-402,684.77	-495,782.72	-0.30	-0.30
<i>Indebtedness to investors</i>	05.01	-106,657.23	-178,402.73	-0.08	-0.08
<i>Indebtedness to auditors</i>	05.02	-7,765.09	-38,948.16	-0.01	-0.01
<i>Tax arrears</i>	05.03	-154,987.98	-278,431.83	-0.12	-0.12
<i>Other debts</i>	05.04	0.00	0.00	0.00	0.00

**Subsection 6. Total value of assets**

<i>The indicator name</i>	<i>Line code</i>	<i>Amount (cost) as of the current reporting date</i>	<i>Amount (cost) as of the previous reporting date</i>	<i>Share of net asset value at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<i>Total asset value (sum of lines 01+02+03+04)</i>	06	134,321,139.03	92,800,997.65	100.28

## Section 4. Obligations

<i>The indicator name</i>	<i>Line code</i>	<i>Value at the current reporting date</i>	<i>Value at the previous reporting date</i>	<i>Share of net asset value at the current reporting date, a percentage</i>	<i>Share of net asset value at the current reporting date, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
Accounts payable	07	0.00	0.00	0.00	0.00
Reserve for payment of remuneration - total	08	50,000,000	50,000,000	0.00	0.00
Including: Obligations to investors	08.01	-106,657.23	-178,402.73	-0.08	-0.08
It is specialized for the depository, the persons responsible for maintaining the register, the audit organization and the appraiser	08.02	-7,765.09	-38,948.16	-0.01	-0.01
Total amount of liabilities	09	-402.684.77	-495,782.72	-0.30	-0.30

## Section 5. Net assets

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator at the current reporting date</i>	<i>The value of the indicator at the previous reporting date</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
Net asset value (difference between lines 06 and 09)	10	133,918,455.26	92,305,214.93
Additional capital that is not considered a net asset	11	60,000,000	60,000,000
Including: Insurance premium	12	20,000,000	20,000,000

Founder and CEO of the industrial holding company Michael Latham

Authorized person of the Grace Bennet Specialized Depository





Allocation of assets and liabilities assumed for the calculation of net asset value

1. Decryption of section 2"Assets" Subsection

1.1. Cash on accounts in banking organizations

<i>Line number</i>	<i>Name of the Bank</i>	<i>Swift of the Bank</i>	<i>RSSD ID</i>	<i>Account currency code</i>	<i>Type of bank account</i>	<i>The amount of funds</i>	<i>Share of the total value of assets, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Bank of America	BOFAUS3DAU2	1443266	USD	Settlement account	402,743.03	0.30
<b>Total</b>	X	X	X	X	X	402,743.03	0.30

1.2. Cash on deposit accounts in banking organizations

<i>Line number</i>	<i>Name of the Bank</i>	<i>Swift of the Bank</i>	<i>RSSD ID</i>	<i>Account currency code</i>	<i>Type of bank account</i>	<i>The amount of funds</i>	<i>Share of the total value of assets, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Bank of America	BOFAUS3DAU2	1443266	USD	Deposit account	271,439.43	0.20
<b>Total</b>	X	X	X	X	X	271,439.43	0.20

1.3. Funds in an independent depository

<i>Line number</i>	<i>Deposit box code</i>	<i>Account currency code</i>	<i>The amount of funds</i>	<i>Share of the total value of assets, a percentage</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1	US128-29427	USD	792,836.83	0.59
<b>Total</b>	X	X	792,836.83	0.59

Subsection 2. Industrial facilities in the United States

2.1. Industrial objects aimed at mining

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>The average cost of the project</i>	<i>Share in the total value of net assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Oil rigs	The State of Texas	249	17,294,302.92	69,455.03	12.91	0
2	Oil rigs	The State of New Mexico	34	3,837,024.43	112,853.66	2.86	0
3	Oil rigs	The State of Oklahoma	26	2,821,391.84	108,515.07	2.11	0



4	Gas rigs	The State of Texas	14	2,302,283.93	164,448.85	1.72	0
5	Gas rigs	The State of Louisiana	12	1,394,832.28	116,236.02	1.04	0
6	Oil refinery	The State of Texas	1	1,941,374.32	1,941,374.32	1.45	0
7	Oil refinery	The State of California	1	1,843,344.56	1,843,344.56	1.38	0
8	Filtration systems	The State of Texas	38	743,204.38	19,558.01	0.55	0
9	Filtration systems	X	67	732,910.23	10,938.96	0.55	0
10	Transportation point	The State of Texas	1	632,304.31	632,304.31	0.47	0
11	Laboratory	The State of California	1	753,031.48	753,031.48	0.56	0
12	Sampling stations	The State of Texas	2	1,464,076.87	732,038.44	1.09	0
13	Boiler room	The State of Texas	4	851,933.93	212,983.48	0.64	0
14	Fuel and lubricants warehouse	The State of Texas	1	749,294.24	749,294.24	0.56	0
15	Gas stations	X	72	3,953,035.47	54,903.27	2.95	0
16	Pumping stations	The State of Texas	3	531,592.2	177,197.4	0.4	0
17	Compressor stations	The State of New Mexico	2	82,305.29	41,152.65	0.06	X
18	<b>Total</b>	X	465	41,928,242.68	X	31.31	X

## 2.2. Road building facilities

Line number	Type of object	Location	Total amount (units)	Total cost	The average cost of the object	Share of the total value and of net assets, a percentage	Note
1	2	3	4	5	6	7	8
1	Private highway	The State of Texas	1	1,492,078.54	1,492,078.54	1.11	0
2	Private highway	New York	1	1,937,638.46	1,937,638.46	1.47	0
3	Scientific research point	New York	2	4,924,301.73	2,462,150.86	3.68	0
4	Railway tracks	X	X	2,435,902.11	X	1.82	0
5	Laboratory	X	1	1,924,216.93	1,924,216.93	1.44	0
6	<b>Total</b>	X	X	12,714,137.80	X	9.49	X



**2.3. Energy facilities**

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>The average cost of the object</i>	<i>Share of the total value of the net assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Thermal power plant	California	5	4,331,021.56	866,204.31	3.23	0
2	The hydroelectric power plant	New Mexico	3	3,050,016.90	1,016,672.30	2.28	0
3	Total	X	8	7,381,038.46	X	8	X

**2.4. Renewable energy production facilities**

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>The average cost of the object</i>	<i>Share of the total value of net assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Windmills	New York	9	4,374,321.28	486,035.7	3.27	0
2	Windmills	New Mexico	24	775,392.21	32,308.01	0.58	0
3	Solar panels	X	87	924,391.92	10,625.19	0.69	0
4	Solar stations	New Mexico	1	724,427.83	724,427.83	0.54	0
5	Stabilizers	X	72	483,841.24	6,720.02	0.36	0
6	Total	X	X	7,282,374.48	X	5.44	X

**2.5. Coal mining facilities**

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount</i>	<i>Total cost</i>	<i>Average cost of the object</i>	<i>Share of the total value of assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Coal field	New Mexico	16	29,577,209	1,848,575.62	22.08	0
2	Drills	X	287	7,140,135.24	24,878.52	5.33	0
3	Total	X	303	36,717,344.20	X	27.40	X



### Subsection 3. Industrial facilities in Europe

#### 3.1. Industrial objects aimed at mining

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>The average cost of the project</i>	<i>Share in the total value of net assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Oil rigs	Germany	66	782,049.49	11,849.23	0.58	0
2	Oil rigs	France	6	423,941.15	70,656.86	0.32	0
3	Gas rigs	Spain	5	209,834.34	41,966.87	0.16	0
4	Filtration systems	Germany	8	129,431.72	16,178.97	0.1	0
5	Filtration systems	Spain	23	423,931.84	18,431.82	0.32	0
6	Redistri buters	Lithuania	78	359,921.04	4,614.37	0.27	0
7	Cleaning systems	Germany	26	295,439.28	11,363,05	0.22	0
8	Cleaning systems	Spain	91	944,382.21	10,377.83	0.71	0
9	Transportation stations	France	1	228,104.29	228,104.29	0.17	0
10	Transportation stations	Spain	2	481,293.42	240,646.71	0.36	0
11	Sampling stations	Great Britain	1	1,249,033.73	1,249,033.73	0.93	0
12	Primary laboratories	Italy	1	384,213.92	384,213.92	0.29	0
13	Warehouses for equipment	Italy	1	431,407.33	431,407.33	0.32	0
14	Recycling points	Great Britain	3	832,931.29	277,643.76	0.62	0
15	Designing points	Germany	2	663,925.38	331,962.69	0.5	0
16	Sorting points	Netherlands	1	385,201.85	385,201.85	0.28	0
17	Total	X	315	7,282,374.48	X	5.44	X





### 3.2. Road building facilities

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>The average cost of the object</i>	<i>Share of the total value and of net assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Motorway	France	X	724,357.38	X	0.54	0
2	Motorway	Germany	X	637,374.83	X	0.48	0
3	Special purpose equipment	X	X	127,243.71	X	0.09	0
4	Building material	X	X	64,485.23	X	0.05	0
5	Production laboratories	Spain	1	452,921.84	452,921.84	0.34	0
6	Railway track	Great Britain	X	675,873.73	X	0.50	0
7	Total	X	X	2,682,256.72	X	2.00	X

### 3.3. Energy facilities in Europe

<i>Line number</i>	<i>Type of the object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>Average cost of the object</i>	<i>Share of the total value of assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Thermal power stations	Asia	1	2,483,921.28	2,483,921.28	1.85	0
2	Hydroelectric power plants	Spain	1	1,237,294.93	1,237,294.93	0.92	0
3	Hydroelectric power plants	Great Britain	2	2,064,281.42	1,032,140.71	1.54	0
4	Total	X	4	5,785,497.63	X	4.32	X

### 3.4. Renewable energy production facilities

<i>Line number</i>	<i>Type of object</i>	<i>Location</i>	<i>Total amount (units)</i>	<i>Total cost</i>	<i>The average cost of the object</i>	<i>Share of the total value and of net assets, a percentage</i>	<i>Note</i>
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>
1	Solar panels	UAE	83	735,824.78	8,865.36	0.55	0
2	Windmills	Netherlands	2	37,381.49	18,690.75	0.03	0

# Deloitte.

3	Windmill s	Germany	1	652,295.17	652,295.17	0.49	0
4	Stabilizers	X	697	732,395.29	1,050.78	0.55	0
5	Total	X	783	2,157,896.73	X	1.61	X

### 3.5. Coal mining facilities

Line number	Object type	Location	Total amount (units)	Total cost	The average cost of the object	Share of the total value of the net assets, a percentage	Note
1	2	3	4	5	6	7	8
1	Deposit	Italy	2	3,853,027.38	1,926,513.69	2.88	0
2	Mine	Italy	1	1,384,582.57	1,384,582.57	1.03	0
3	Total	X	3	5,237,609.95	X	3.91	X

Founder and CEO of the industrial holding company Michael Latham

Authorized person of the Specialized Depository Grace Bennet





REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

**Section 1. Parameters of the report on the increase (decrease) in the value of the property**

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
January 2020	USD

**Section 2. Parameters of the report on the increase (decrease) in the value of the property**

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	-9,663,767.42
<i>Including as a result of transactions :</i>		
Sale of land plots	01.01	-842,746.39
Sale of enterprises and productions	01.02	1,294,035.94
Sale of industrial facilities	01.03	-2,954,926.28
Sale of motor vehicles	01.04	85,032.13
Sale of scientific developments and patents	01.05	439,206.77
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	1,955,305.83
Other expenses	01.13	-9,394,285.04
Depreciation of facilities in the course of industrial activity	01.14	-245,390.38
Total : increase in "+" or decrease in "-" cost of the facilities (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)	01.15	-9,663,767.42



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
February 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	5,572,674.74
Including as a result of transactions :		
Sale of land plots	01.01	1,834,029.48
Sale of enterprises and productions	01.02	-98,438.29
Sale of industrial facilities	01.03	1,002,438.74
Sale of motor vehicles	01.04	26,297.93
Sale of scientific developments and patents	01.05	2,943,582.26
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	1,078,294.92
Other expenses	01.13	-928,505.37
Depreciation of facilities in the course of industrial activity	01.14	-285,024.93
Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)	01.15	5,572,674.74



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
March 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	4,812,517.87
Including as a result of transactions :		
Sale of land plots	01.01	2,489,402.39
Sale of enterprises and productions	01.02	-1,237,482.01
Sale of industrial facilities	01.03	3,853,203.67
Sale of motor vehicles	01.04	67,492.14
Sale of scientific developments and patents	01.05	674,941.23
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Other income	01.12	729,014.28
Other expenses	01.13	-841,014.74
Depreciation of facilities in the course of industrial activity	01.14	-194,024.81
Total : increase "+" or decrease the "-" in the value of the property (lines of the facilities 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)	01.15	4,812,517.87



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
April 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	4,588,867.63
Including as a result of transactions :		
Sale of land plots	01.01	1,093,284.13
Sale of enterprises and productions	01.02	-1,294,023.28
Sale of industrial facilities	01.03	3,429,072.87
Sale of motor vehicles	01.04	87,408.32
Sale of scientific developments and patents	01.05	2,034,448.12
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	576,923.02
Other expenses	01.13	-485,294.46
Depreciation of facilities in the course of industrial activity	01.14	-852,951.09
Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)	01.15	4,588,867.63



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
May 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	2,788,453.5
<i>Including as a result of transactions :</i>		
Sale of land plots	01.01	908,532.04
Sale of enterprises and productions	01.02	-192,249.82
Sale of industrial facilities	01.03	1,942,825.39
Sale of motor vehicles	01.04	78,942.21
Sale of scientific developments and patents	01.05	0.00
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	712,052.93
Other expenses	01.13	-538,294.02
Depreciation of facilities in the course of industrial activity	01.14	-123,355.23
<b>Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)</b>	<b>01.15</b>	<b>2,788,453.5</b>



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
June 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	31,070,984.71
Including as a result of transactions :		
Sale of land plots	01.01	-2,592,210.59
Sale of enterprises and productions	01.02	3,592.01
Sale of industrial facilities	01.03	32,453,201.72
Sale of motor vehicles	01.04	43,495.2
Sale of scientific developments and patents	01.05	853,105.32
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from of third-party investment companies	01.11	0.00
Other income	01.12	1,158,204.36
Other expenses	01.13	-255,391.02
Depreciation of facilities in the course of industrial activity	01.14	-593,012.29
<b>Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)</b>	<b>01.15</b>	<b>31,070,984.71</b>





REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

**Section 1. Parameters of the report on the increase (decrease) in the value of the property**

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
July 2020	USD

**Section 2. Parameters of the report on the increase (decrease) in the value of the property**

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") in the value of property as a result of transactions with property - total	01	5,725,214.9
Including as a result of transactions :		
Sale of land plots	01.01	-2,953,305.93
Sale of enterprises and productions	01.02	853,105.39
Sale of industrial facilities	01.03	1,953,208.31
Sale of motor vehicles	01.04	-11.59
Sale of scientific developments and patents	01.05	5,359,019.35
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	1,294,503.93
Other expenses	01.13	-755,913.53
Depreciation of facilities in the course of industrial activity	01.14	-25,391.03
<b>Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)</b>	<b>01.15</b>	<b>5,725,214.9</b>



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
August 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	9,146,096.04
Including as a result of transactions :		
Sale of land plots	01.01	1,397,204.81
Sale of enterprises and productions	01.02	-583,025.29
Sale of industrial facilities	01.03	8,495,051.31
Sale of motor vehicles	01.04	13,911.04
Sale of scientific developments and patents	01.05	0.00
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	858,325.92
Other expenses	01.13	-96,943.17
Depreciation of facilities in the course of industrial activity	01.14	-938,428.28
<b>Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)</b>	<b>01.15</b>	<b>9,146,096.04</b>



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
September 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
<i>Increase "+" (decrease "-") the value of property as a result of transactions with property - total</i>	01	5,665,785.65
<i>Including as a result of transactions :</i>		
<i>Sale of land plots</i>	01.01	842,595.93
<i>Sale of enterprises and productions</i>	01.02	2,259,503.01
<i>Sale of industrial facilities</i>	01.03	763,035.05
<i>Sale of motor vehicles</i>	01.04	-53,295.54
<i>Sale of scientific developments and patents</i>	01.05	852,025.73
<i>Sale of project paperwork</i>	01.06	0.00
<i>Making a profit from renting out facilities owned by the company</i>	01.07	0.00
<i>Receiving dividends from facility investments</i>	01.08	0.00
<i>Sale of art treasures</i>	01.09	0.00
<i>Interest income on bank accounts</i>	01.10	0.00
<i>Receiving dividends from third-party investment companies</i>	01.11	0.00
<i>Other income</i>	01.12	1,593,753.02
<i>Other expenses</i>	01.13	-58,591.97
<i>Depreciation of facilities in the course of industrial activity</i>	01.14	-533,239.58
<i>Total : increase "+" or decrease the "-" in the value of the property (lines of the facilities 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)</i>	01.15	5,665,785.65



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
October 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
<i>Increase "+" (decrease "-") in the value of the property as a result of transactions with property - total</i>	01	3,705,554.62
<i>Including as a result of transactions :</i>		
<i>Sale of land plots</i>	01.01	3,358,915.03
<i>Sale of enterprises and productions</i>	01.02	296,952.27
<i>Sale of industrial facilities</i>	01.03	-843,931.74
<i>Sale of motor vehicles</i>	01.04	43,875.09
<i>Sale of scientific developments and patents</i>	01.05	179,348.42
<i>Sale of project paperwork</i>	01.06	0.00
<i>Making a profit from renting out facilities owned by the company</i>	01.07	0.00
<i>Receiving dividends from facility investments</i>	01.08	0.00
<i>Sale of art treasures</i>	01.09	0.00
<i>Interest income on bank accounts</i>	01.10	0.00
<i>Receiving dividends from third-party investment companies</i>	01.11	0.00
<i>Other income</i>	01.12	1,294,039.87
<i>Other expenses</i>	01.13	-264,395.83
<i>Depreciation of facilities in the course of industrial activity</i>	01.14	-359,248.49
<i>Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)</i>	01.15	3,705,554.62



REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

**Section 1. Parameters of the report on the increase (decrease) in the value of the property**

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
November 2020	USD

**Section 2. Parameters of the report on the increase (decrease) in the value of the property**

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
<i>Increase "+" (decrease "-") in the value of the property as a result of transactions with property - total</i>	01	2,159,731.31
<i>Including as a result of transactions :</i>		
<i>Sale of land plots</i>	01.01	783,305.36
<i>Sale of enterprises and productions</i>	01.02	1,375,492.07
<i>Sale of industrial facilities</i>	01.03	-842,053.68
<i>Sale of motor vehicles</i>	01.04	22,543.04
<i>Sale of scientific developments and patents</i>	01.05	1,358,506.39
<i>Sale of project paperwork</i>	01.06	0.00
<i>Making a profit from renting out facilities owned by the company</i>	01.07	0.00
<i>Receiving dividends from facility investments</i>	01.08	0.00
<i>Sale of art treasures</i>	01.09	0.00
<i>Interest income on bank accounts</i>	01.10	0.00
<i>Receiving dividends from third-party investment companies</i>	01.11	0.00
<i>Other income</i>	01.12	0.00
<i>Other expenses</i>	01.13	0.00
<i>Depreciation of facilities in the course of industrial activity</i>	01.14	-538,061.87
<i>Total: increase "+" or decrease "-" in the value of the property (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+ 01.08 +01.09)</i>	01.15	2,159,731.31



## REPORT ON THE INCREASE (DECREASE) IN THE VALUE OF PROPERTY OWNED BY AN INTERNATIONAL INDUSTRIAL HOLDING

### Section 1. Parameters of the report on the increase (decrease) in the value of the property

<i>The reporting period</i>	<i>The code of the currency in which the value of net assets is determined</i>
<b>1</b>	<b>2</b>
December 2020	USD

### Section 2. Parameters of the report on the increase (decrease) in the value of the property

<i>The indicator name</i>	<i>Line code</i>	<i>The value of the indicator for the reporting period</i>
<b>1</b>	<b>2</b>	<b>3</b>
Increase "+" (decrease "-") the value of property as a result of transactions with property - total	01	12,410,783.42
Including as a result of transactions :		
Sale of land plots	01.01	4,594,392.04
Sale of enterprises and productions	01.02	1,284,831.48
Sale of industrial facilities	01.03	6,284,053.83
Sale of motor vehicles	01.04	16,483.84
Sale of scientific developments and patents	01.05	272,935.03
Sale of project paperwork	01.06	0.00
Making a profit from renting out facilities owned by the company	01.07	0.00
Receiving dividends from facility investments	01.08	0.00
Sale of art treasures	01.09	0.00
Interest income on bank accounts	01.10	0.00
Receiving dividends from third-party investment companies	01.11	0.00
Other income	01.12	694,034.39
Other expenses	01.13	-244,549.87
Depreciation of facilities in the course of industrial activity	01.14	-491,395.03
Total : increase "+" or decrease the "-" in the value of the property (lines of the facilities (lines 01+01.01+01.02+01.03+01.04+01.05+01.06+01.07+01.08+01.09)	01.15	12,410,783.42



Explanatory note to the annual financial statements of DEL MAR ENERGY INC, an industrial holding company, for 2020.

Reporting on the property belonging to DEL MAR ENERGY, an international industrial holding company, and transactions with such property has been prepared in accordance with the requirements of the Investment Companies Act of 1940, FORM 10-K, "2a-7 of the Investment Companies Act", including the procedure for calculating the average annual net asset value of an international industrial holding company the company's estimated cost, investment assets of an industrial holding, the value of property transferred to pay for investment obligations (hereinafter referred to as the American laws).

CEO Michael Latham

