

Deutsche Oel & Gas S.A.

Société Anonyme

Annual accounts

As of December 31, 2020

45, Boulevard Prince Henri
L-1724 Luxembourg
R.C.S. Luxembourg : B 179.408

**Abridged Balance sheet
As of December 31, 2020**

Deutsche Oel & Gas S.A.

ASSETS	Notes	31.12.2020 EUR	31.12.2019 EUR
C. FIXED ASSETS		25.678.262,00	25.678.261,00
II. Tangible assets		20.095,00	20.095,00
III. Financial assets	3	25.658.167,00	25.658.166,00
D. CURRENT ASSETS		4.022.967,18	8.610.855,31
II. Debtors	4	4.014.805,53	8.602.612,42
a) becoming due and payable within one year		4.014.805,53	8.602.612,42
IV. Cash at bank and in hand	5	8.161,65	8.242,89
E. PREPAYMENTS		-	256,41
TOTAL (ASSETS)		29.701.229,18	34.289.372,72
 LIABILITIES	 Notes	 31.12.2020 EUR	 31.12.2019 EUR
A. CAPITAL AND RESERVES	6	6.450.721,04	11.139.329,84
I. Subscribed capital		502.435.652,00	502.435.652,00
II. Share premium account		536.528.336,70	538.142.332,87
III. Revaluation reserve		200.700.000,00	200.700.000,00
IV. Reserves		50.608.056,00	50.608.056,00
V. Profit or loss brought forward		(1.280.746.711,03)	(1.271.054.512,26)
VI. Profit or loss for the financial year		(3.074.612,63)	(9.692.198,77)
B. PROVISIONS	7	5.042.100,00	5.009.815,00
C. CREDITORS		18.208.408,14	18.140.227,88
a) becoming due and payable within one year		1.698.428,14	1.630.247,88
b) becoming due and payable after more than one year		16.509.980,00	16.509.980,00
TOTAL (LIABILITIES)		29.701.229,18	34.289.372,72

The notes in the annex form an integral part of the annual accounts

**Abridged Profit and loss account
From January 01, 2020
To December 31, 2020**

Deutsche Oel & Gas S.A.

	Notes	from 01.01.2020 to 31.12.2020 EUR	from 01.01.2019 to 31.12.2019 EUR
1. to 5. Gross profit or loss		(1.297.571,13)	(3.804.568,58)
6. Staff costs		-	4.851,00
a) Wages and salaries		-	4.851,00
7. Value adjustments		(1.711.252,70)	(20.095,00)
a) in respect of formation expenses and of tangible and intangible fixed assets		-	(20.095,00)
b) in respect of current assets		(1.711.252,70)	-
8. Other operating expenses		(2.689,80)	(631.454,01)
11. Other interest receivable and similar income		-	1.997,95
b) other interest and similar income		-	1.997,95
14. Interest payable and similar expenses		(30.999,00)	(5.000.395,61)
a) concerning affiliated undertakings		(30.999,00)	-
b) other interest and similar expenses		-	(5.000.395,61)
15. Tax on profit or loss	10	-	(199.269,52)
16. Profit or loss after taxation		(3.042.512,63)	(9.648.933,77)
17. Other taxes not shown under items 1. to 16.	10	(32.100,00)	(43.265,00)
18. Profit or loss for the financial year		(3.074.612,63)	(9.692.198,77)

1. PRESENTATION OF THE COMPANY

Deutsche Oel & Gas S.A. (hereafter referred to as the « Company ») was incorporated on 29 July 2013 in the form of a limited company under the Luxembourg law, for an unlimited period of time.

The Company's registered office is 45, Boulevard Prince Henri, L-1724 Luxembourg, and the Company is registered in the Company Trade Register under the number B 179.408 in Luxembourg.

The object of the Company is the holding of participations, in any form whatsoever, in Luxembourg and foreign companies, or other business entities, the acquisition by purchase, subscription, or in any other manner as well as the transfer by sale, exchange or otherwise of stock, bonds, debentures, notes and other securities of any kind, and the ownership, administration, development and management of its portfolio. The Company may also hold interests in partnerships and carry out its business through branches in Luxembourg or abroad.

Further, it may invest in the acquisition and management of a portfolio of trademarks or other intellectual property rights of any nature or origin.

The Company may borrow in any form and proceed to the issue of bonds and debentures.

The Company may grant assistance (by way of loans, advances, guarantees or securities or otherwise) to companies or other enterprises in which the Company has an interest or which forms part of the group of companies to which the Company belongs, take any controlling and supervisory measures and carry out any operation which it may deem useful in the accomplishment and development of its purposes.

The Company can perform all commercial, technical and financial or other operations, connected directly or indirectly in all areas in order to facilitate the accomplishment of its purpose.

The accounting year begins on January 1st of each year and ends on December 31 of each year.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 General principles

The Company maintains its books and records in Euros (EUR) and presents its annual accounts in conformity with generally accepted accounting principles in Luxembourg which include the following significant accounting policies.

2.2 General accounting policies

For the preparation of the annual accounts, the Company uses the following significant accounting policies:

2. SIGNIFICANT ACCOUNTING POLICIES (Continued)

2.2.1 Foreign currency translation

Assets, except participations, and liabilities stated in other currencies than EUR are translated at the exchange rate prevailing at the balance sheet date. Transactions denominated in other currencies than EUR are translated at the rate prevailing at the transaction date. Realised and unrealised exchange losses as well as realised exchange gains are recorded while unrealised exchange gains are ignored.

Participations in other currencies than EUR are translated at the rate prevailing at the date of their acquisitions.

2.2.2 Tangible fixed assets

The tangible fixed assets are valued at their acquisition value (acquisition price or cost price), with value adjustments being deducted. Value adjustments are calculated on a straight line method based on the estimated period of use.

2.2.3 Debtors

Debtors are valued at their nominal value and are subject to value adjustment where their recovery is compromised.

2.2.4 Creditors

Creditors are recorded at their reimbursement value.

2.2.5 Interest incomes and interest expenses

Interest incomes and interest expenses are recorded on an accrual basis.

3. FINANCIAL ASSETS

	31.12.2020	31.12.2019
	EUR	EUR
	<hr/>	<hr/>
Deutsche Oel & Gas AG	1,00	1,00
Deutsche Oel & Gas I SA	7.750,00	7.750,00
Oel & Gas Invest GmbH SARL	12.500,00	12.500,00
Invenit Holding AG	100.000,00	100.000,00
Cornucopia Oil & Gas Company, LLC	1,00	1,00
Furie Operating Alaska, LLC	1,00	1,00
Corsair Oil & Gas, LLC	1,00	1,00
Deutsche Oel & Gas TC-2016 S.A.	1,00	-
Own shares or corporate units	25.537.912,00	25.537.912,00
	<hr/>	<hr/>
	25.658.167,00	25.658.166,00

3. FINANCIAL ASSETS (continued)

Enterprises in which the Company holds at least 20% of the capital, or in which it is a general partner, and the registered addresses	Capital Held %	Date to which the last annual accounts are made up	The Company's share of net equity at the date of the annual accounts, In EUR	The Company's share of results of the results of the last financial year, In EUR
Deutsche Oel & Gas AG, Gerokstrasse 33, D-70184 STUTTGART	100%	31.12.2016	178.612.544,00	(9.222.478,00)
Deutsche Oel & Gas I SA (formerly Elmago SA) 45, Boulevard Prince Henri, L-1724 LUXEMBOURG	100%	31.12.2016	21.275,00	(3.210,00)
Oel & Gas Invest GmbH SARL, 45 Boulevard Henri, L-1724 LUXEMBOURG	100%	31.12.2016	7.655,00	(535,00)
Cornucopia Oil & Gas, LLC, 100 Enterprise Avenue, League City, TEXAS	100%	Not available	Not available	Not available
Furie Operating Alaska, LLC, 100 Enterprise Avenue, League City, TEXAS	100%	Not available	Not available	Not available
Corsair Oil & Gas, LLC, 100 Enterprise Avenue, League City, TEXAS	100%	Not available	Not available	Not available
Deutsche Oel & Gas TC-2016 S.A. 5, rue de Bonnevoie L-1260 Luxembourg	100%	31.12.2019	(888.695,52)	(53.838,85)

Movements

Own shares or corporate units

	2020 EUR	2019 EUR
Gross book value – opening balance	25.537.912,00	25.537.912,00
Disposals	-	-
Gross book value – closing balance	25.537.912,00	25.537.912,00
TOTAL FINANCIAL FIXED ASSETS	25.537.912,00	25.537.912,00

4. DEBTORS

	31.12.2020 EUR	31.12.2019 EUR
Customers	1,00	1.252.233,00
Advances suppliers	71.002,39	71.002,39
Loans and cash advances	778.810,00	1.268.830,70
Cash advances and payments on account	19.510,00	19.510,00
Amounts owed by partners and shareholders	3.015.944,75	5.864.683,79
ACD	-	133,75
VAT receivable	19.896,16	16.800,47
Other miscellaneous receivables	109.641,23	109.418,32
	<u>4.014.805,53</u>	<u>2.842.659,00</u>

5. CASH AT BANK

As of December 31, 2020 the balance of the bank account of the Company amounts to EUR 8.161,65.

6. CAPITAL AND RESERVES

a) Subscribed capital

As of December 31, 2020, the subscribed share capital amounts to EUR 502.435.652,00 and is represented by 502.435.652,00 shares with a nominal value of EUR 1 each and fully paid.

b) Share premium and similar premiums

	2020 EUR	2019 EUR
Balance at 1 January	538.142.332,87	527.622.660,00
Movements during the year	(1.613.996,17)	10.519.672,87
Balance at 31 December	<u>536.528.336,70</u>	<u>538.142.332,87</u>

c) Revaluation reserve

	2020 EUR	2019 EUR
Revaluation Reserve on 1 January	200.700.000,00	200.700.000,00
Revaluation Reserve on 31 December	<u>200.700.000,00</u>	<u>200.700.000,00</u>

6. CAPITAL AND RESERVES (Continued)

d) Legal reserve

	2020 EUR	2019 EUR
Legal Reserve at 1 January	25.070.144,00	25.070.144,00
Movements during the year	-	-
Revaluation Reserve on 31 December	25.070.144,00	25.070.144,00

Under Luxembourg law, an amount equal to at least 5 percent of the profit of the year must be allocated to a legal reserve until such reserve equals 10 percent of the issued share capital. This reserve is not available for dividends.

e) Reserve for own shares or own corporate units

	2020 EUR	2019 EUR
Reserve for own shares or own corporate units at 1 January	25.537.912,00	25.537.912,00
Movements during the year	(-)	(-)
Reserve for own shares or own corporate units at 31 December	25.537.912,00	25.537.912,00

f) Retained profit

	2020 EUR	2019 EUR
Profit brought forward at 1 January	(1.280.746.711,03)	(1.271.054.512,26)
Transfer to statutory reserves	-	-
Results for the year	(1.280.746.711,03) (3.074.612,63)	(1.271.054.512,26) (9.692.198,77)
Reserve for own shares or own corporate units at 31 December	(1.283.821.323,66)	(1.280.746.711,03)

7. PROVISIONS

As at December 31, 2020, this caption is composed of:

	31.12.2020 EUR	31.12.2019 EUR
For NWT 2019	-	4.815,00
For NWT 2020	32.100,00	-
For audit fees 2019	5.000,00	5.000,00
For audit fees 2020	5.000,00	-
Provision Kaiser Guarantee	5.000.000,00	5.000.000,00
	<u>5.042.100,00</u>	<u>5.009.815,00</u>

8. NUMBER OF EMPLOYEES

Average number of employees in full-time employment during the year

	31.12.2020 EUR	31.12.2019 EUR
Employees	-	-
Total number of full-time employees	<u>-</u>	<u>-</u>

9. OFF-BALANCE SHEET COMMITMENTS

	31.12.2020 EUR	31.12.2019 EUR
Gross Shareholder's Goodwill	5.642.857,00	6.682.857,00
Goodwill write off	(1.040.000,00)	(1.040.000,00)
Net Shareholder's Goodwill	4.602.857,00	5.642.857,00
Total off Balance Sheet commitments	<u>4.602.857,00</u>	<u>5.642.857,00</u>

10. TAXATION

The Company is subject to all taxes applicable to a normal commercial company in Luxembourg.