MUCINNO HOLDING INC.

# ANNUAL REPORT 2021

MUCINNO HOLDING INC



**DRAFTED BY**
José Pablo Muciño
CFO

**APPROVED BY**
Edgar Muciño
CEO

MUCINNO HOLDING INC.

# WORKING IN THE PRESENT TO HAVE A GOOD FUTURE.



# DEVELOPING MINING FOR A BETTER FUTURE

## MISION

Drivers of faith and hope, committed to God in constant search for market leadership and continuous innovation, socially and environmentally responsible.

## VISION

Company with human and spiritual formation, with high quality products that represent solutions to our clients processes.

## VALUES

***Leadership**

***Provision**

***Unity**

***Respect**

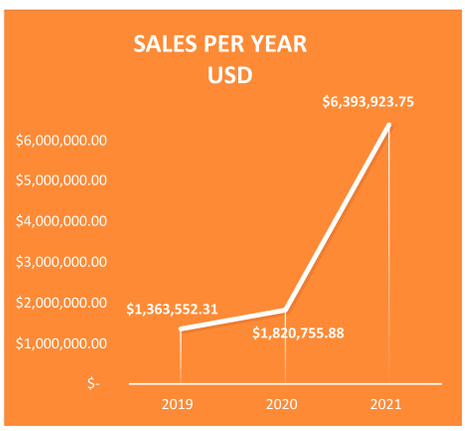
***Discipline**



# Key Highlights

## 327%

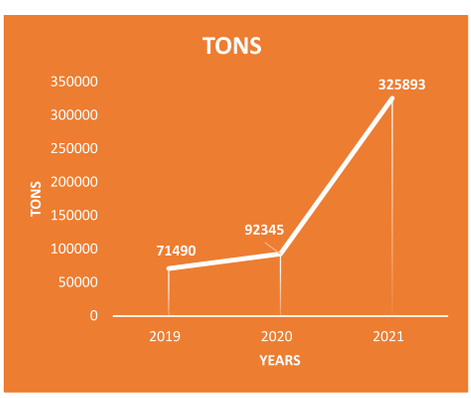
Sales increase with respect to 2020




## $6,393,923.75

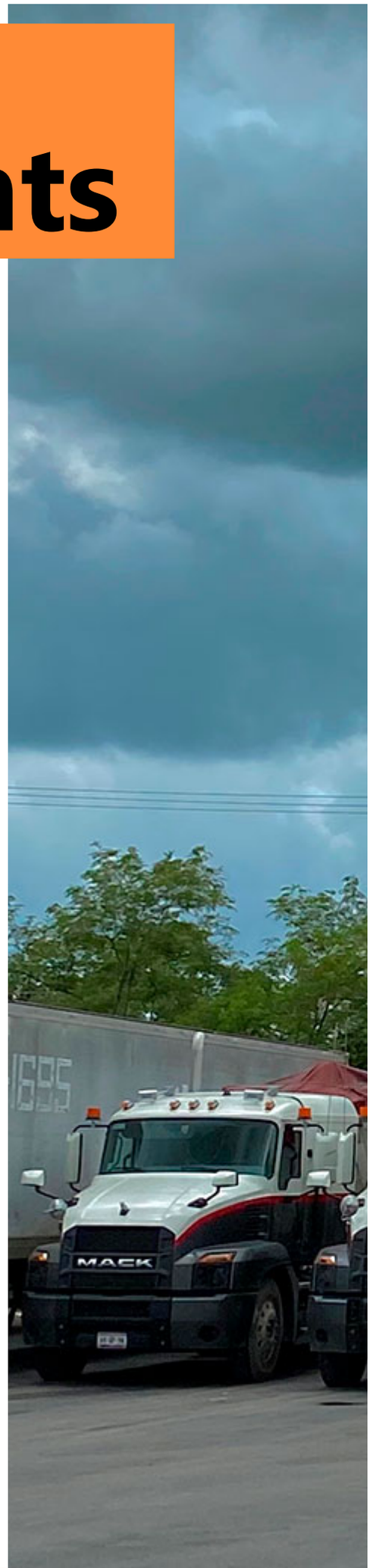
Total Invoice 2021

***$184,641.23 to be charge in 2022***



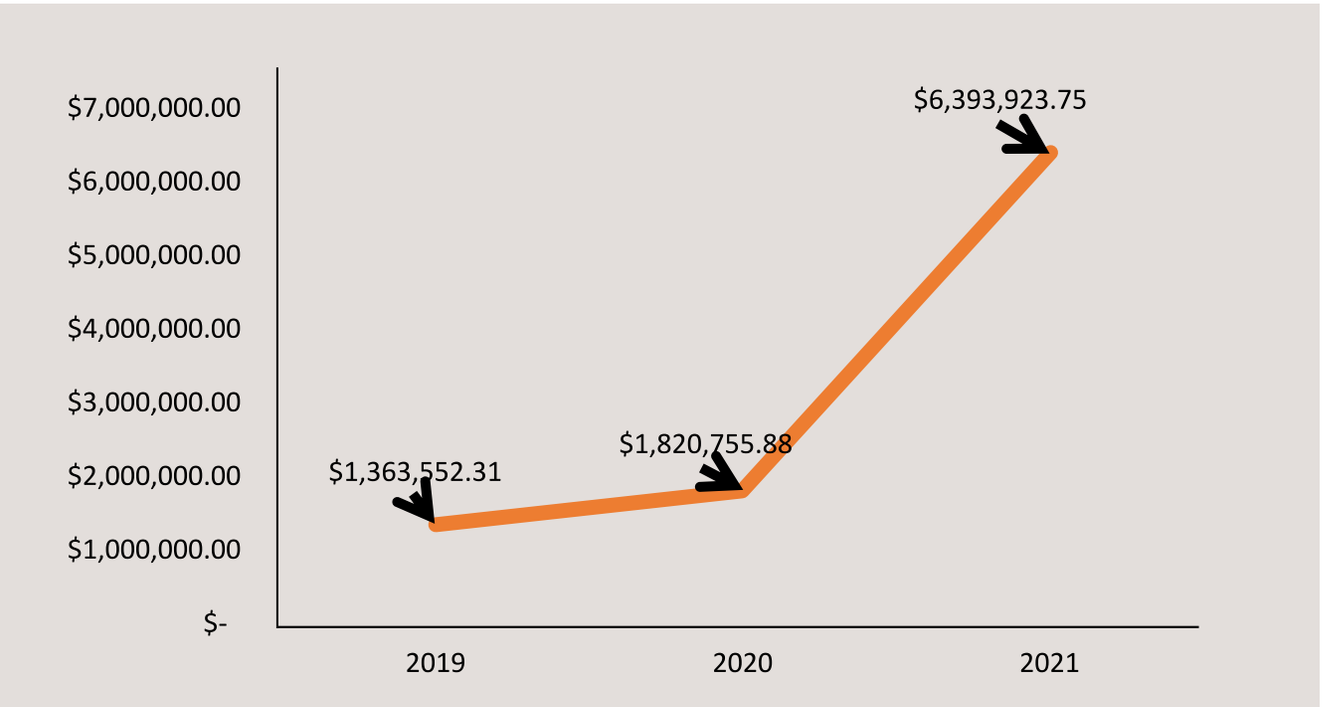

Increased sand delivery thanks to the acquisition of 17 units

## 196%

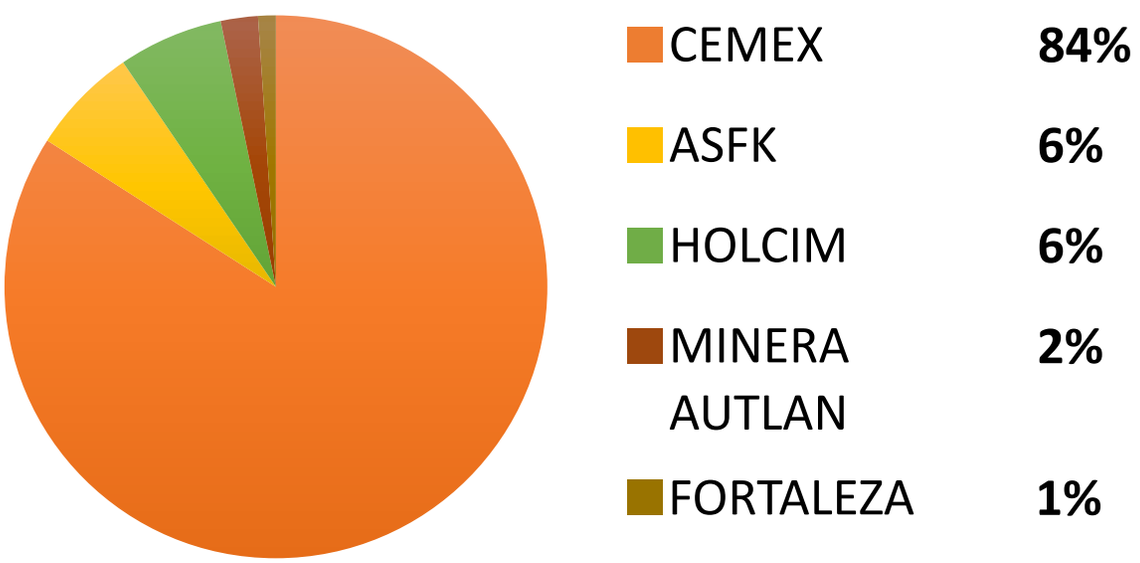


# SALES

## SALES PER YEAR




## SALES PER CLIENT



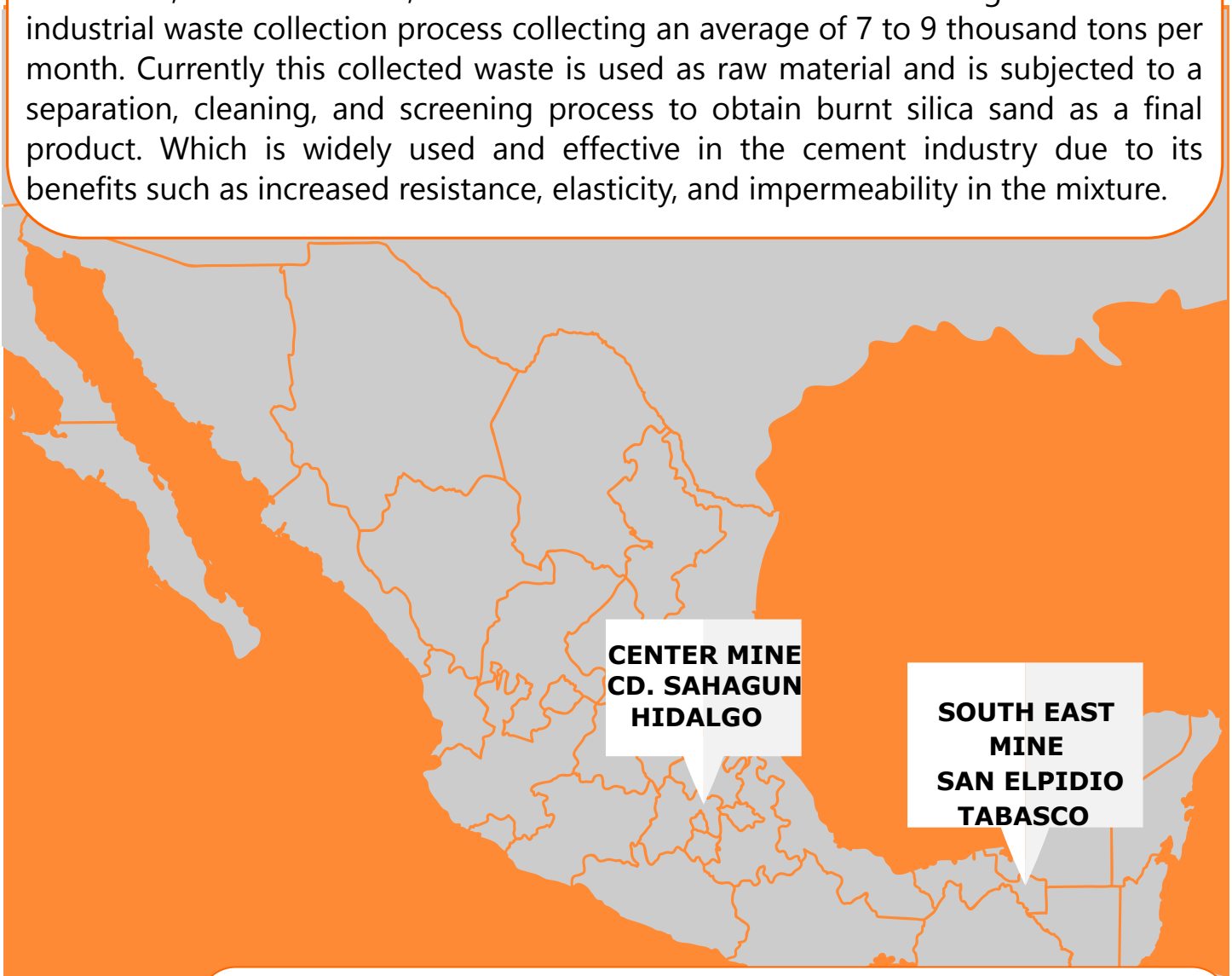
We operate two silica sand mines that produce industrial volumes and a fleet of cargo and transport trucks which allows us to supply the cement plants in Mexico of the largest cement companies in the world. Our status as a reliable supplier has led us to have a portfolio of growth opportunities.

| | PRODUCT | STOCK SAND USD |
|---|---|---|
| **SAHAGUN**<br>15.5-year mine life | Sand | **$28.075M** |
| **SAN ELPIDIO**<br>24-year mine life | Sand | **$142.410M** |



# WE ARE A MEXICO-BASED MINING GROUP

The **CENTER MINE** is located 45 km from Pachuca de Soto, capital of Hidalgo, it is an industrial area with multinational companies such as ASFK Amsted Rail, ALSTOM, Greenbrier, Gerdau Corsa, Giant Motors JAC. Mucinno Holding entered the industrial waste collection process collecting an average of 7 to 9 thousand tons per month. Currently this collected waste is used as raw material and is subjected to a separation, cleaning, and screening process to obtain burnt silica sand as a final product. Which is widely used and effective in the cement industry due to its benefits such as increased resistance, elasticity, and impermeability in the mixture.




The **SOUTH EAST MINE** is located near a town called San Elpidio and Balancán, in the State of Tabasco, 8 km from the State of Campeche.



## SALES BY SEGMENT

| | SAND | DELIVERY | TRANSPORT | SAND MERIDA | TOTAL |
|---|---|---|---|---|---|
| 2019 | $ 7,191 | $ 13,141 | $ 112,487 | | $ 6,588 |
| 2020 | $ 101,162 | $ 243,418 | $ 1,388,350 | | $ 85,959 |
| 2021 | $ 2,174,971 | $ 81,315 | $ 3,266,177 | $ 4,322,280 | $ 326,318 |

# 2021

SALES

**SAND** **$6.49M**

**DELIVERY** **FLEET** **$4.3M**

SAND **$81K** SERVICE

**99%** **Are represented by the sale and transportation of silica sand.**

Of the 11 plants that we supplied during this year, we had a total requirement of 325,001 tons, of which we delivered 89%.

# CD. SAHAGUN & MERIDA



## TOTAL $6.497M SAND DELIVERY

## GENERAL 89% EFFICIENCY



**ESTIMATE SAND DELIVERY SAHAGUN**
**$1.580M**

**REAL SAND DELIVERY SAHAGUN**
**$1.345M**

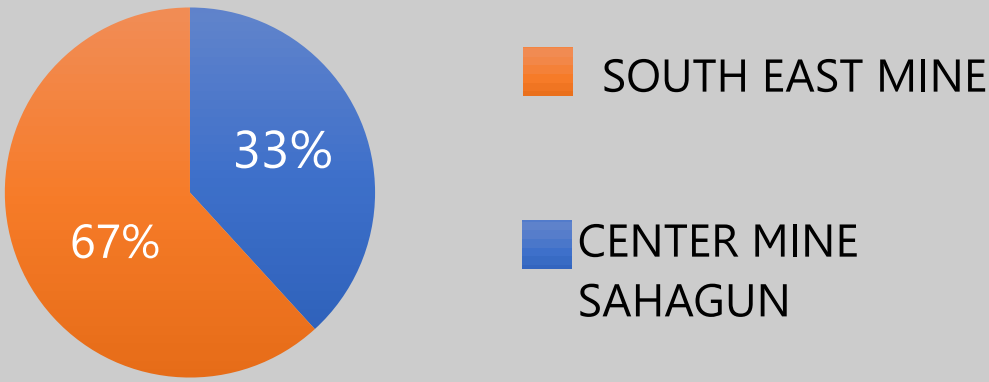
**ESTIMATE SAND DELIVERY SAN ELPIDIO**

**$4.322M**

**REAL SAND DELIVERY SAN ELPIDIO**

**$4.322M**

# SAND SALES BY MINE




Revenues by segment are made up of 99% being revenue from sand sales. Of the 11 plants that we supplied during this quarter,  had a total requirement of 325,001 tons of which we delivered 89%.



# HOW WE ENGAGE WITH OUR STAKEHOLDERS.



## OUR PEOPLE

Our team is made up of 67 people, who work in the daily operations of the company, projects, exploration programs and corporate offices. Almost all of them are based in Mexico. We recognize ourselves as a united company, however we are constantly looking for new and better ways to increase unity, motivation, share company values and promote spiritual, personal, and professional development.



## CUSTOMERS

Our main clients are industrial and construction material companies, who use our product as raw material for the subsequent processing and elaboration of their diversity of products. We have a daily commitment with them to maintain fluid communication to successfully meet the monthly and annual requirement.



## SHAREHOLDERS

Shareholders are the entities that have a stake in the company. We seek to constantly inform them and potential investors to communicate the current situation of the company, the development of its projects and the objectives and opportunities that lie ahead.

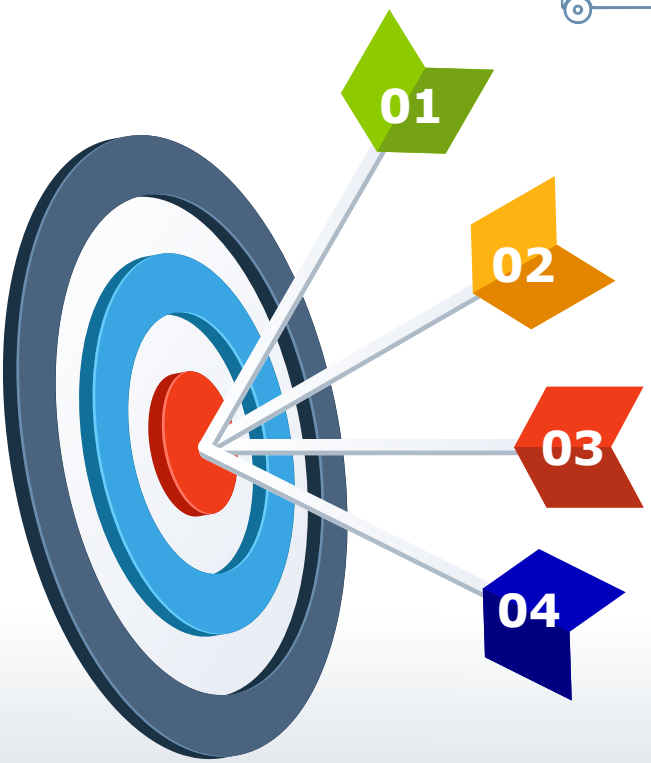
# NEXT YEAR OBJETIVES

## Create Business Relationship with New Client

We are doing out best to close a deal with one of the largest cement companies in Mexico to supply them with sand and provide transportation services.

## Increase in production capacity

Thanks to the business opportunities that have been presented to us, we are currently looking to acquire other mines of different types of minerals and diversify our products. We also want to develop a range of product utilizing our silica sand as raw material.




## Acquire new units

With the increase in units, production will be extended in both mines, we are seeking to acquire another screen at the central plant due to the demand for it will come with the extension of the Tepeaca cement plant.

## Delivery efficiency

Increase the efficiency of sand delivery.

# Forward-Looking Statements

This press release contains forward-looking information within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1993 and Section 21E of the Securities Exchange Act of 1934 and is subject to the safe harbor created by those laws. These forward-looking statements are based upon a number of assumptions and estimates that are subject to significant uncertainties that involve known and unknown risks, many of which are beyond our control and are not guarantees of future performance. Actual outcomes and results could materially differ from what is expressed, implied, or forecasted in any such forward-looking statements and any such difference may be caused by risk factors listed from time to time in the Company's news releases and/or its filings with the OTC Bulletin Board or as a result of other factors.



# CONTACT


**Principal Executive Offices**

Torre Vertice Merida, World Class Business L.
Calle 4 x 15 No. 170a, Fraccionamiento Montecristo,
97133
Mérida, Yuc.
Mexico

+52 9991669539

investors@mcno.com.mx