

# **Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines**

## **Dewmar International BMC, Inc.**

A Nevada Corporation  
132 East Northside Drive, Suite C, Clinton, MS 39056  
(877) 747-5326  
www.dewmarinternational.com  
info@dewmarinternational.com  
Primary Code SIC Code 311224 (Secondary Sic Code 722515)

### **Annual Report**

**For the Period Ending: December 31, 2019**  
(the "Reporting Period")

As of December 31, 2019, the number of shares outstanding of our Common Stock was:

3,545,006,782

As of September 30, 2019, the number of shares outstanding of our Common Stock was:

3,545,006,782

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐ No: ☒ (Double-click and select "Default Value" to check)

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Indicate by check mark whether a Change in Control<sup>1</sup> of the company has occurred over this reporting period:

Yes: ☐ No: ☒

## **1) Name of the issuer and its predecessors (if any)**

In answering this item, please also provide any names used by predecessor entities and the dates of the name changes.

Dewmar International BMC, Inc. (the "Issuer" or the "Company" or "Dewmar")

---

<sup>1</sup> "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

We were originally incorporated on August 15, 2003 in Nevada under the name of Lone Mountain Mines. On August 20, 2009, we changed our name from Lone Mountain Mines to Convenientcast, Inc. On April 30, 2012, we changed our name from Convenientcast, Inc. to Dewmar International BMC, Inc.

Date and state (or jurisdiction) of incorporation (also describe any changes to incorporation since inception, if applicable)  
Please also include the issuer's current standing in its state of incorporation (e.g. active, default, inactive):

The issuer was incorporated in the state of Nevada on August 15, 2003.

The issuer is in good standing and is an active corporation with the State of Nevada.

Pursuant to an Exchange Agreement ("Agreement") on October 28, 2011, Dewmar International BMC, Inc. ("Dewmar") (f/k/a Convenientcast, Inc.) (the "Company"), a publicly reporting Nevada corporation, acquired DSD Network of America, Inc. ("DSD"), a Nevada corporation, in exchange for the issuance of 40,000,000 shares of common stock of Dewmar (the "Exchange Shares"), 69% of which shares were issued to the former owners of DSD (the "Merger"). In conjunction with the Merger, DSD became a wholly-owned subsidiary of the Company.

Since approximately April 30, 2012, the Company has operated under the name, Dewmar International BMC, Inc.

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐ No: ☒

If this issuer or any of its predecessors have been the subject of such proceedings, please provide additional details in the space below:

Not applicable.

## 2) Security Information

Trading symbol:	DEWM
Exact title and class of securities outstanding:	Common Stock
CUSIP:	25211R102
Par or stated value:	\$0.0001

Total shares authorized:	4,450,000,000	as of date: December 31, 2019
Total shares outstanding:	3,545,006,782	as of date: December 31, 2019
Number of shares in the Public Float <sup>2</sup> :	2,426,163,513	as of date: December 31, 2019
Total number of shareholders of record:	209	as of date: December 31, 2019

*Additional class of securities (if any):*

Trading symbol:	DEWM	
Exact title and class of securities outstanding:	Preferred	
CUSIP:	25211R102	
Par or stated value:	\$0.001	
Total shares authorized:	50,000,000	as of date: December 31, 2019
Total shares outstanding:	50,000,000	as of date: December 31, 2019

### Transfer Agent

Name: Empire Stock Transfer Inc.  
Phone: (702) 818-5898  
Email: info@empirestock.com

Is the Transfer Agent registered under the Exchange Act?<sup>3</sup> Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

<sup>2</sup>“Public Float” shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a “control person”), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

<sup>3</sup>To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

### 3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any direct changes to the total shares outstanding of any class of the issuer’s securities **in the past two completed fiscal years and any subsequent interim period**.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public and all shares or any other securities or options to acquire such securities issued for services. Using the tabular format below, please describe these events.

#### A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of January 1, 2017		Opening Balance:		*Right-click the rows below and select “Insert” to add rows as needed.					
		Common: 2,426,163,513							
		Preferred: 50,000,000							
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or canceled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
9/25/2019	New issuance	60,000,000	Common	.0005	Yes	SDT Capital, Inc.	Stock purchase	Restricted	Section 4(2)
9/25/2019	New issuance	500,000,000	Common	.00002	Yes	Berner Collectibles	Stock purchase	Restricted	Section 4(2)
9/25/2019	New Issuance	12,195,122	Common	.0016	Yes	Houston Law Firm	Collections Settlement	Restricted	Section 4(2)
9/25/2019	New Issuance	30,000,000	Common	.0016	Yes	Houston Law Firm	Collections Settlement	Restricted	Section 4(2)
6/21/2019	New Issuance	9,259,259	Common	.0054	No	Bridging the Gaps USA	Stock Purchase	Restricted	Section 4(2)
6/21/2017	New issuance	15,500,000	Common	.001	Yes	Chad Tendrich	Consulting	Restricted	Section 4(2)
7/21/2017	New issuance	145,000,000	Common	.01	Yes	Pitts Riley Group, LLC	Consulting	Restricted	Section 4(2)

7/21/2017	New Issuance	96,888,888	Common	.0045	Yes	J. Riley Consulting	Stock Purchase	Restricted	Section 4(2)
8/3/2017	New Issuance	250,000,000	Common	.01	Yes	Dash Consulting	Consulting	Restricted	Section 4(2)
Shares Outstanding on	<u>Ending Balance:</u> Common: <u>3,545,006,782</u>								
December 31, 2019:	Preferred: <u>50,000,000</u>								

Use the space below to provide any additional details, including footnotes to the table above:

Ramy Kamaneh controls SDT Capital, Inc. and has dispositive power over the shares. Donald Hunter controls Berner Collectibles and has dispositive power over the shares. Charles E. Houston, Jr. controls the Houston Law Firm and has dispositive power over the shares. Johnny Riley controls Bridging the Gaps USA, Pitts Riley Group, LLC and J. Riley Consulting and has dispositive power over the shares over the 3 entities. Veronica Brown controls Dash Consulting and has dispositive power over the shares. A total of 750,000,000 share certificates are in transit (250,000,000 shares to Marco Moran, or his assigns, and 500,000,000 shares to Donald Hunter).

## B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe all outstanding promissory notes, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities..

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

Use the space below to provide any additional details, including footnotes to the table above:

The company had notes outstanding in 2018 and the first two quarters of 2019. However and pursuant to OTC guidelines, those notes were issued before 2018 and therefore, the notes are not reflected in the table above. The company had no outstanding notes as of 12/31/2019 and no subsequent notes have been issued. All notes reflected in all previous financial statements filed with the SEC and OTC Markets now have a zero balance.

## 4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP  
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)<sup>4</sup>:

Name:	David Natan
Title:	N/A
Relationship to Issuer:	Accountant

---

<sup>4</sup> The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

Provide the financial statements described below for the most recent fiscal year or quarter. For the initial disclosure statement (qualifying for Pink Current Information for the first time) please provide reports for the two previous fiscal years and any subsequent interim periods.

- C. Balance sheet;
- D. Statement of income;
- E. Statement of cash flows;
- F. Financial notes; and
- G. Audit letter, if audited

You may either (i) attach/append the financial statements to this disclosure statement or (ii) file the financial statements through OTCIQ as a separate report using the appropriate report name for the applicable period end. ("Annual Report," "Quarterly Report" or "Interim Report").

If you choose to publish the financial statements in a separate report as described above, you must state in the accompanying disclosure statement that such financial statements are incorporated by reference. You may reference the document(s) containing the required financial statements by indicating the document name, period end date, and the date that it was posted to OTCIQ in the field below.

Financial Statements are attached to this disclosure statement.

Financial statement information is considered current until the due date for the subsequent report (as set forth in the qualifications section above). To remain qualified for Current Information, a company must post its Annual Report within 90 days from its fiscal year-end date and Quarterly Reports within 45 days of each fiscal quarter-end date.

## **5) Issuer's Business, Products, and Services**

The purpose of this section is to provide a clear description of the issuer's current operations. In answering this item, please include the following:

- A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

### Manufacturer, wholesaler, and marketer of edible relaxation products

The Issuer, Dewmar, established business relationships with contract manufacturers who are contractually obligated to manufacture and produce the Issuer's main product, Kush Cakes. Kush Cakes is a premium relaxation chocolate brownie that is manufactured at an Arizona Department of Health certified commercial bakery in Arizona. Kush Cakes was formulated by the Issuer's former CEO and has been sold at US retailers since 2011.

The Company currently is focused on the processing, and sale of products derived from legal industrial hemp and manufacturing, marketing, and selling baked goods under the brand name, Kush Cakes.

- B. Describe any subsidiaries, parents, or affiliated companies, if applicable, and a description of their business contact information for the business, officers, directors, managers or control persons. Subsidiary information may be included by reference

United States Hemp Corporation – United States Hemp Corporation is a Nevada based S Corporation that operates as a wholly-owned subsidiary of the Company. Donald Hunter is the sole officer and director of United States Hemp Corporation. United States Hemp Corporation shares the same contact information as Dewmar.

- C. Describe the issuers' principal products or services, and their markets

Kush Cakes - Kush Cakes is a premium relaxation chocolate brownie that is manufactured at a Department of Health certified commercial bakery in Arizona.

Dewmar is currently in the planning stages of becoming a processor of legal industrial hemp, including building a hemp processing facility in northern Connecticut.

## 6) Issuer's Facilities

The goal of this section is to provide a potential investor with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer, give the location of the principal plants and other property of the issuer and describe the condition of the properties. If the issuer does not have complete ownership or control of the property (for example, if others also own the property or if there is a mortgage on the property), describe the limitations on the ownership.

If the issuer leases any assets, properties or facilities, clearly describe them as above and the terms of their leases.

The Company leases a small office space in Clinton, Mississippi at a rate of \$500 per month. The lease is on a month to month basis.

In August 2019 the Company opened an office in Ridgefield, Connecticut. There is no current lease agreement and no monetary rent commitment.

## 7) Officers, Directors, and Control Persons

The goal of this section is to provide an investor with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial shareholders.

Using the tabular format below, please provide information regarding any person or entity owning 5% or more of the issuer, as well as any officer, and any director of the company, regardless of the number of shares they own. **If any listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information of an individual representing the corporation or entity in the note section.**

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note



Donald Hunter	Chairman, CEO, CFO	132 East Northside Drive, Suite C Clinton, MS 39056	50,000,000	Preferred	100	Was appointed Chairman, CEO and CFO on 9/26/2019
Anthony Fenton	Director	132 East Northside Drive, Suite C Clinton, MS 39056	0	n/a	n/a	Was appointed as a Director on 9/26/2019

## 8) Legal/Disciplinary History

A. Please identify whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

Yes - On or about September 14, 2018, in United States v. Marco Bisa Hawkins Moran, (Case No. 2-18cr34KS-MTP (S.D. Miss.), Marco Moran, our former Chief Executive Officer, pled guilty to a felony criminal information.

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

Yes - In August 2012, Donald Hunter was barred by FINRA from associating with any FINRA member.

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None. However, our Chairman and Chief Executive Officer Don Hunter has been named in an SEC Complaint titled "Securities and Exchange Commission v. Donald H. Hunter." The matter is pending in the United States Civil District Court, District of Connecticut. The parties are the Securities and Exchange Commission and Donald H. Hunter. The Complaint was filed on March 24, 2020 (case number 3:2020-cv-00391). The Complaint alleges violations of Section 206(1) of the Advisors Act and violations of Section 206(2) of the Advisors Act and violations of Section 206(3) of the Advisors Act and violations of Section 206(4) of the Advisors Act and Rule 206(4)-8 thereunder. Mr. Hunter plans on defending himself against these allegations.

## 9) Third-Party Providers

Please provide the name, address, telephone number and email address of each of the following outside providers:

### Securities Counsel

Name:

Firm:

Address 1:

Address 2:

Phone:

Email:

### Accountant or Auditor

Name:

David Natan

Firm:

Natan and Associates

Address 1:

6720 NW 74<sup>th</sup> Court

Address 2:

Parkland, Florida 33067

Phone:

(786) 412-6085

Email:

dnatan474747@aol.com

### Investor Relations Consultant

Name:

N/A

Firm:

\_\_\_\_\_

Address 1:

\_\_\_\_\_

Address 2:

\_\_\_\_\_

Phone:

\_\_\_\_\_

Email:

\_\_\_\_\_

### Other Service Providers

Provide the name of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: \_\_\_\_\_  
Firm: \_\_\_\_\_  
Nature of Services: \_\_\_\_\_  
Address 1: \_\_\_\_\_  
Address 2: \_\_\_\_\_  
Phone: \_\_\_\_\_  
Email: \_\_\_\_\_

#### **10) Issuer Certification**

*Principal Executive Officer:*

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities).

The certifications shall follow the format below:

I, Don Hunter, certify that:

1. I have reviewed this Annual Report for the Period Ended December 31, 2019, of Dewmar International BMC, Inc. ;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

04/02/2020

/s/ [Donald Hunter

*Principal Financial Officer:*

I, Donald Hunter certify that:

1. I have reviewed this Annual Report for the Period Ended December 31, 2019, of Dewmar International BMC, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of

the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

04/02/2020

/s/ [Donald Hunter]

	<b>DEWMAR INTERNATIONAL BMC, INC.</b>		
	<b>UNAUDITED CONSOLIDATED BALANCE SHEETS</b>		
		<b>December 31,</b>	<b>December 31,</b>
		<b>2019</b>	<b>2018</b>
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$	29,318	\$ 7,687
Accounts receivable		5,737	63,348
Inventory		3,606	-
Total current assets		38,661	71,035
Total assets	\$	38,661	\$ 71,035
<b>LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)</b>			
Current liabilities:			
Accounts payable and accrued expenses	\$	258,533	\$ 1,253,730
Accrued interest			16,053
Accrued interest, related party			252
Notes payable			1,351,021
Notes payable, related party			250,000
Convertible notes			83,500
Derivative liability			96,612
Total current liabilities		258,533	3,051,168
Total liabilities		258,533	3,051,168
<b>STOCKHOLDERS EQUITY (DEFICIT)</b>			
Preferred Stock; \$0.001 par value 50,000,000 shares authorized; 50,000,000 shares issued and outstanding, respectively		50,000	50,000
Common stock; \$0.001 par value; 4,450,000,000 shares authorized; 4,295,006,782 and 2,933,552,401 shares issued and outstanding		4,295,007	2,933,522
Additional paid in capital		5,783,937	4,250,756
Accumulated deficit		(10,348,816)	(10,214,411)
Total Stockholders' Equity		(219,872)	(2,980,133)
Total Liabilities and Stockholders' Equity	\$	38,661	\$ 71,035

DEWMAR INTERNATIONAL BMC, INC.						
UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS						
				Year Ended December 31,	Year Ended December 31,	
				2019	2018	
Product revenue, net				\$ 144,603	\$ 463,204	
Cost of goods sold				89,561	436,915	
Gross margin				55,042	26,289	
Operating expenses:						
Occupancy and related expenses				27,144	179,779	
General and administrative expenses				63,341	3,462,126	
Contract labor				98,962	277,514	
Total operating expenses				189,447	3,919,419	
Income(loss) from operations				(134,405)	(3,893,130)	
Other income (expenses):						
Other income (expenses)				-	-	
Total other income and expense				-	-	
Income(loss) from operations				(134,405)	(3,893,130)	
Provision for income taxes				-	-	
Net loss from continuing operations				(134,405)	(3,893,130)	
Discontinued operations				-	(337,957)	
<b>Net loss from continuing operations</b>				<b>\$ (134,405)</b>	<b>\$ (4,231,087)</b>	
Net income loss per fully diluted share						
Continuing operations				\$ (0.00)	\$ (0.00)	
Discontinued operations				-	\$ (0.00)	
Weighted-average number of common shares outstanding:						
Basic and diluted				4,272,809,157	2,933,552,401	

**DEWMAR INTERNATIONAL BMC, INC.**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS**

					<b>Year Ended December 31, 2019</b>	<b>Year Ended December 31, 2018</b>
Cash flows from operating activities:						
Net loss continuing operations				\$	(134,405)	\$ (3,893,130)
Net loss discontinued operations					-	(337,957)
Adjustments to reconcile net loss to cash used in operating activities:						
Changes in operating assets and liabilities:						
Accounts receivable					57,611	78,972
Inventory					(3,606)	223,684
Notes receivable					-	3,316,354
Prepays					-	60,728
Other assets					-	771,473
Accounts payable and accrued expenses					43,741	201,654
Notes payable						(381,729)
Convertible notes						(70,820)
Derivative liability						(185,094)
Net cash (used in) operating activities					(36,659)	(215,863)
Cash flows from investing activities:						
Purchase of capital assets					-	-
Net cash provided by (used in) financing activities					-	-
Cash flows from financing activities:						
Proceeds from the sales of common stock					58,290	-
Net cash (used in) financing activities					58,290	-
Net (decrease) in cash and cash equivalents					21,631	(215,863)
Cash and cash equivalents at beginning of period					7,687	223,550
Cash and cash equivalents at end of period				\$	29,318	\$ 7,687
Supplemental disclosure of cash flow information:						
Cash paid for interest				\$	-	\$ -
Cash paid for income taxes				\$	-	\$ -
Supplemental disclosure of non-cash investing and financing activity						
Common stock issued to reduce convertible debt promissory notes and account payable				\$	3,007,427	\$ -

DEWMAR INTERNATIONAL BMC, INC.								
(UNAUDITED) CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY								
	Common Stock		Preferred Shares	Stock Value	Additional Paid-in Capital	Retained Earnings	Total Stockholders' Equity	
	Shares	Value						
Balance, January 1, 2018	2,933,552,401	\$ 2,933,522	50,000,000	\$ 50,000	\$ 4,250,756	\$ (5,983,324)	\$ 1,250,954	
Net (loss)						(4,231,087)	(4,231,087)	
Balance, December 31, 2018	2,933,552,401	\$ 2,933,522	50,000,000	\$ 50,000	\$ 4,250,756	\$ (10,214,411)	\$ (2,980,133)	
Private placements of common stock	1,069,259,259	1,069,290					\$ 1,069,290	
Debt settlement with former CEO	250,000,000	250,000					\$ 250,000	
Conversion of convertible debt	42,195,122	42,195			1,533,181		\$ 1,575,376	
Net income (loss)						(134,405)	\$ (134,405)	
Balance, December 31, 2019	4,295,006,782	\$ 4,295,007	50,000,000	\$ 50,000.00	\$ 5,783,937	\$ (10,348,816)	\$ (219,872)	



**DEWMAR INTERNATIONAL BMC, INC.**  
**NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

**NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS**

Dewmar International BMC (the “Company”) was formed as a Nevada corporation on August 15, 2003. The Company is a diversified operating company headquartered in Clinton, Mississippi, with offices in Ridgefield, Connecticut. The Company currently is focused on the processing, and sale of products derived from legal industrial hemp and manufacturing, marketing, and selling baked goods under the brand name, Kush Cakes. Dewmar is also in the planning stages of becoming a primary processor of legal industrial hemp in the state of Connecticut, including building a hemp processing facility in northern Connecticut.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Presentation and Principles of Consolidation*

The consolidated financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The consolidated financial statements include the accounts of the Company and its subsidiary, Health & Wellness Research Consortium, LLC (“HWRC”). All material intercompany accounts and transactions have been eliminated. Certain amounts in prior periods have been reclassified to conform to the current period presentation.

*Going Concern*

The accompanying unaudited consolidated financial statements have been prepared assuming the Company will continue as a going concern, which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business for the twelve-month period following the date of these financial statements. On a consolidated basis, the Company has incurred significant operating losses since inception.

Because the Company does not expect that existing operational cash flow will be sufficient to fund presently anticipated operations, this raises substantial doubt about the Company’s ability to continue as a going concern. Therefore, the Company will need to raise additional funds and is currently exploring alternative sources of financing. Historically, the Company has raised capital through convertible notes and private placements as an interim measure to finance working capital needs and may continue to raise additional capital through the sale of Common Stock or other securities and obtaining some short-term loans. The Company will be required to continue to so until its consolidated operations become profitable. Also, the Company has, in the past, paid for consulting services with its Common Stock to maximize working capital, and intends to continue this practice where feasible.

*Discontinued Operations*

In August 2018, the Board of Directors authorized management to shut down operations at Willie’s Duck Diner (“WDD”) because it was unprofitable. The Company’s results of operations related to WDD have been reclassified as discontinued operations on a retrospective basis for all periods presented. Unless otherwise indicated, the following discussions pertain only to our continuing operations. For the years ended December 31, 2019, and 2018, the Company recorded losses from discontinued operations of \$-0- and \$337,957 respectively.

### Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The most significant estimates relate to revenue recognition, impairment of long-lived assets, valuation of financial instruments, income taxes, and contingencies. The Company bases its estimates on historical experience, known or expected trends and various other assumptions that are believed to be reasonable given the quality of information available as of the date of these financial statements. The results of these assumptions provide the basis for making estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Actual results could differ from these estimates.

### Revenue Recognition

Sales, as presented in the Company's consolidated statement of earnings, represents food and beverage products sold, and is presented net of discounts, coupons, employee meals, and complimentary meals.

On January 1, 2018, the Company adopted Accounting Standards Codification ("ASC") Topic 606, Revenue from Contracts with Customers ("ASC 606"). For the years ended December 31, 2019, and December 31, 2018, respectively, the consolidated financial statements were not materially impacted as a result of the application of Topic 606.

### Cash and Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents. On December 31, 2019, and December 31, 2018, the Company's cash equivalents totaled \$29,318 and \$7,687, respectively.

### Income taxes

The Company accounts for income taxes under FASB ASC 740, "Accounting for Income Taxes". Under FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under FASB ASC 740, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. FASB ASC 740-10-05, "Accounting for Uncertainty in Income Taxes" prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities.

The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. The Company assesses the validity of its conclusions regarding uncertain tax positions on a quarterly basis to determine if facts or circumstances have arisen that might cause it to change its judgment regarding the likelihood of a tax position's sustainability under audit.

### Net Loss per Share

Net loss per common share is computed by dividing net loss by the weighted average common shares outstanding during the period as defined by Financial Accounting Standards, ASC Topic 260, "Earnings per Share." Basic earnings per common share ("EPS") calculations are determined by dividing net income by the weighted average number of shares of common stock outstanding during the year. Diluted earnings per common share calculations are determined by dividing net income by the weighted average number of common shares and dilutive common share equivalents outstanding.

### Recent Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*, which establishes a new lease accounting model for lessees. The updated guidance requires an entity to recognize assets and liabilities arising from financing and operating leases, along with additional qualitative and quantitative disclosures. The amended guidance is effective for fiscal years, and interim periods within those years, beginning after December 15, 2018, with early adoption permitted. In March 2019, the FASB issued ASU 2019-01, *Codification Improvements*, which clarifies certain aspects of the new lease standard. The FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases* in July 2018. Also in 2018, the FASB issued ASU 2018-11, *Leases (Topic 842) Targeted Improvements*, which provides an optional transition method whereby the new lease standard is applied at the adoption date and recognized as an adjustment to retained earnings. The amendments have the same effective date and transition requirements as the new lease standard. We have adopted ASC 842 and it had no impact on our financial statements.

### **NOTE 3 – GOING CONCERN AND LIQUIDITY**

As of December 31, 2019 and December 31, 2018, the Company had \$29,318 and \$7,687 of cash on hand, respectively. For the years ended December 31, 2019, and December 31, 2018, the Company recorded revenues of \$144,603 and \$463,204, respectively. As of December 31, 2019, the Company had a working capital deficit of \$219,872 and negative stockholders' equity of \$(219,872). These financial statements have been prepared on a going concern basis, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. Based on the Company's current cash needs, it believes it does not have sufficient existing cash resources to fund its current operations.

The Company currently intends to raise debt and/or equity financing to fund ongoing operating expenses. There is no assurance that such financing will be satisfactorily completed or at terms acceptable to the Company. Any issuance of equity securities, if accomplished, could cause substantial dilution to existing stockholders. Any failure by the Company to successfully implement these plans would have a material adverse effect on its business, including the possible inability to continue operations.

### **NOTE 4. NOTES PAYABLE**

As of December 31, 2019, and December 31, 2018, the Company had \$-0- and \$1,351,021, respectively, of Notes Payable. During the year ended December 31, 2019, the Company, as part of a change of management, issued 361,454,381 shares to retire all existing notes payable and related party debt on its balance sheet. This includes 250,000,000 shares of common stock issuable to the Company's former chief executive officer or his assigns. See Note 5. Related Party Activity.

### **NOTE 5. RELATED PARTY ACTIVITY**

On September 9, 2019, the Company entered into a Confidential Executive Separation Agreement ("Separation Agreement") with Marco Moran, the Company's former Chief Executive Officer. Under the terms of the Separation Agreement, Marco Moran voluntarily resigned as the Company's CEO and member of the Company's Board of Directors. At the time of his resignation, the Company owed Marco Moran approximately \$1,543,000 in loans and unpaid payroll. As part of his separation, Marco Moran agreed to waive the \$1,543,000 amount due to him in return for the following consideration:

- Donald Hunter, the Company's new CEO paid from his own funds the sum of \$150,000 in exchange for Marco Moran's delivery of 100% of his 50,000,000 shares of controlled Preferred Stock in the Company. These preferred shares are convertible to common stock at the ratio of 50 to 1.
- The Company agreed to issue Marco Moran or his assigns 250,000,000 (Two Hundred and Fifty Million) shares of the Company's common stock. Under the terms of the Agreement, the Company will not at any time from the date of the Agreement until 18 months from the date of its execution agreement (the "Split Prohibited Period") subdivide (by any stock split, stock dividend, recapitalization or otherwise) one or more classes of

its outstanding capital stock into a lesser number of shares (such a subdivision being referred to as a “Stock Split”).

- The Company agreed to reimburse Marco Moran up to \$44,000 for expenses of the Company charged to his personal credit cards.
- The Company is required to assign and transfer all rights and title to logos and trademarks for Lean Slow Motion Potion to Marco Moran.
- The Company grants to Marco Moran, or his assigns, on an exclusive basis, all rights to online sales in the United States for Kush Cakes. Additionally, Marco Moran shall be entitled to purchase for himself, or through an entity of his choosing, Kush Cakes, at a price not to exceed a 20% mark-up to cost.
- Dewmar grants to Marco Moran a royalty on the sales of Kush Cakes ranging from 1% up to 10% for a period not to exceed six years.
- Dewmar shall provide a credit facility to Marco Moran of Two Hundred Thousand Dollars (\$200,000) at the rate of LIBOR plus 200 basis points for the financing of Marco Moran’s post-termination business activities. Marco Moran shall qualify to receive this credit facility any time after twelve (12) months of the Termination Date.

#### **NOTE 6. STOCKHOLDERS’ DEFICIT**

On September 24, 2019, and September 25, 2019, respectively, the Company sold an aggregate of 1,000,000,000 shares of restricted stock for a total of \$20,000 to Berner Collectibles, which entity is controlled by the Company’s CEO, Donald Hunter.

As of December 31, 2019, and December 31, 2018, the Company had authorized 50,000,000 shares of preferred stock, of which 50,000,000 shares were outstanding. These preferred shares are convertible to common shares at a ratio of “50 to 1” for each preferred share held.

Additionally, the Company had 4,450,000,000 shares of common stock authorized, of which 4,295,006,782 and 2,933,552,401 were issued and outstanding as of December 31, 2019, and December 31, 2018, respectively.

#### **NOTE 8. SUBSEQUENT EVENTS**

None

#### **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*Except for the historical information contained in this report, the matters discussed herein are forward-looking statements. Words such as “anticipates,” “believes,” “expects,” “future,” and “intends,” and similar expressions are used to identify forward-looking statements. These and other statements regarding matters that are not historical are forward-looking statements. These matters involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Factors that could cause or contribute to such differences in results and outcomes include without limitation those discussed below as well as those discussed elsewhere in this report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management’s analysis only as of the date hereof. We assume no obligation to update these forward-looking statements to reflect actual results or changes in factors or assumptions affecting such forward-looking statements.*

#### **Company Overview**

Dewmar International BMC Inc. (“the Company”) was formed as a Nevada corporation on August 15, 2003.

Currently, the Company is a diversified operating company headquartered in Clinton, Mississippi with offices in Ridgefield, Connecticut. The Company currently is focused on the processing, and sale of products derived from legal industrial hemp and manufacturing, marketing, and selling baked goods under the brand name, Kush Cakes. Dewmar is also in the planning stages of becoming a primary processor of legal industrial hemp in the state of Connecticut, including building a hemp processing facility in northern Connecticut

The Company and its subsidiaries develop, market and distribute goods in national and international markets through licensing agreements, e-commerce platforms, fee-for-service arrangements, and distribution contracts.

### **Business Strategy**

The Company's business strategy is to identify, create, market and sell consumer products containing legal industrial hemp and its constituents including hemp protein, hemp oil, and hemp seeds. The Company also plans to become a comprehensive processor of industrial hemp in the state of Connecticut so that Dewmar can eventually process the entire hemp plant into both consumer and non-consumer products. The non-consumer products will include selling raw processed hemp as a constituent in products such as hempcrete, animal bedding, automobile parts, animal bedding and more.

### **Results of Operations**

*For the year ended December 31, 2019, and December 31, 2018*

#### **Revenue**

Revenues for the year ended December 31, 2018, were \$144,603 compared to \$463,204 during the year ended December 31, 2019. The \$318,601 decrease in revenues in the 2019 period is primarily attributable to the Company discontinuing the sale of its primary product, a relaxation beverage called "Slow Motion Potion" in late 2018 and lacking sufficient working capital to develop new products and properly market its existing products.

#### **Cost of Goods Sold**

The cost of goods sold for the year ended December 31, 2019, was \$89,561 compared to the cost of goods sold of \$436,915 for the same period ended December 31, 2018. The cost of goods sold as a percentage of sales for the period ended December 31, 2019, was 61.9% compared to 94.3% for the year ended December 31, 2018. The significant decrease in the cost of goods sold for the 2019 period is attributable to the discontinuation of the Company's relaxation beverage and the write-off of inventory associated with that product and other products in development.

#### **Operating Expenses**

Operating expenses for the year ended December 31, 2019, were \$189,447 compared to \$3,919,419 during the same period ended December 31, 2018. The \$3,729,972 decrease in expenses is primarily attributable to approximately \$3,000,000 in write-offs of accounts receivable at the Company's HWRC subsidiary during the year ended December 31, 2018. The reason for the high level of write-offs attributable to HWRC is because HWRC invested in a series of healthcare-related business enterprises that failed to perform financially within the industry. Many of these investments included loans to individuals who owned pharmacies, clinics, medical equipment and these businesses failed to generate enough revenue to remain open and become or continue as viable entities. Additionally, operating expenses decreased in the 2019 period compared to 2018 due to a reduction in all expense categories, including occupancy, general and administrative and contract labor due to reduced revenues, the closing of Willie's Duck Diner and the lack of working capital.

#### **Legal Proceedings**

None