



BLACK PEARL S.A.

NIP: 7010211009

KRS: 0000343453

REGON: 142121110

**Annual Report
including
Management Report
on the activities**

for the period
1st January 2022 – 31st December 2022

Prepared in accordance with Article 6.1. Appendix No. 3 to the Alternative Trading System Regulations ("Current and periodic information provided in the alternative trading system on the NewConnect market").

Warsaw, 30th May 2023

Warsaw, 30th May 2023

Dear Sir or Madam,

Management Board of BLACK PEARL S.A. hereby presents the Annual Report including the Management Report on the activities for the financial year 2022 presenting the key results and the most important facts regarding the Issuer's activities.

The year 2022 was a period of intensive work related primarily to the analysis and organization of the Issuer's portfolio, related to the dynamically changing macroeconomic and geopolitical situation. The aim of the activities of the Issuer's Management Board was to reduce the number of portfolio companies and focus on the development of entities from the most prospective industries. The actions taken are aimed at increasing the efficiency of managing portfolio companies and preparing the Company for the implementation of the most advantageous strategy aimed at dynamic value growth. The actions taken contributed to the achievement of a profit on operating activities of PLN 1,842,711.16, while the reported gross loss results mainly from revaluation write-offs.

In the first quarter of 2022, the Management Board completed the procedure related to the implementation of resolutions on increasing the parity of minority shareholders as a result of reducing the number of shares held by Janusz Skopowski by 300,000 in connection with their redemption (approved by the National Depository for Securities on December 29, 2021). and the 1:100 share split procedure (approved by the National Depository for Securities on December 30, 2021).

In addition, on June 30, 2022, the Ordinary General Meeting was held, which adopted all planned resolutions, including, among others, a resolution on dividend payment in the amount of 1.5% of the nominal value of shares - PLN 0.0015 per share with a nominal value of PLN 0.10. Due to the fact that the National Depository for Securities is technically not prepared to pay dividends in the amount lower than PLN 0.1 per share, the Management Board has taken steps to pay dividends directly by the Issuer in the form of bank transfers, which was announced in relevant announcements.

I am convinced that the activities carried out in 2022 and in subsequent periods, which will be reflected in the Company's financial results, will contribute to the satisfaction of shareholders.

Yours faithfully,

Arkadiusz Trela
President of the Management Board

Table of Contents:

1. Description of the organization of the capital group, specifying the entities subject to consolidation and entities not included in the consolidation, specifying for each of them at least the name (company), legal form, registered office, subject of activity and the issuer's share in the share capital and the total number of votes.	4
2. If the issuer forms a capital group and does not prepare consolidated financial statements or the consolidated financial statements do not include data of all subsidiaries - an indication of the reasons for not preparing consolidated statements by the parent entity or reasons for exemption from consolidation in relation to each subsidiary not included in the consolidation.....	5
3. If the issuer forms a capital group and does not prepare consolidated financial statements or the consolidated financial statements do not include data of all subsidiaries - selected financial data of all subsidiaries of the issuer not included in the consolidation, containing the basic items of the annual financial statements.	5
4. Selected financial data.....	6
5. Statements of the Management Board	8
6. Information on the Issuer's application of the corporate governance rules referred to in the document "Good Practices of Companies Listed on NewConnect".....	10
7. Report of the Management Board on the Issuer's activity	15
7.1. Company Information	15
7.2. Management Board.....	15
7.3. Supervisory Board	15
7.4. Share capital	16
7.5. Shareholding structure.....	16
7.6. The scope of activities of the Company in the reporting period.....	17
7.7. Significant events in 2022 and after its completion, until the date of approval of the financial statements.....	17
7.8. Major achievements in research and development	23
7.9. Employment	24
7.10. Revenues	24
7.11. Credits and loans.....	24
7.12. Accruals.....	24
7.13. Liabilities.....	24
7.14. Information on the seasonal or cyclical nature of the Company's operations	24
7.15. Transactions with related entities	24
7.16. Information on loans granted by the Company, sureties for a credit or loan and on guarantees	25
7.17. Major risks related to the conducted activity.....	25
7.18. Financial risks	25
7.19. Expected development and financial situation of the Company	26
7.20. Additional information	26
8. The entity's statement on non-financial information prepared pursuant to Art. 49b of the Accounting Act of September 29, 1994, as amended. Journal U.2021.0.217	26
9. Position of the Management Board together with the opinion of the Supervisory Board or the Issuer's supervisor regarding the qualified opinion, negative opinion or disclaimer of opinion expressed by the audit company in the audit report.....	26

1. Description of the organization of the capital group, specifying the entities subject to consolidation and entities not included in the consolidation, specifying for each of them at least the name (company), legal form, registered office, subject of activity and the issuer's share in the share capital and the total number of votes.

Subsidiaries of the Issuer as at the last day of the period covered by this report:

Company name	Share in capital	subject to consolidation
CANNABISHUBMED Sp. z o.o.	100 %	No
Eco Milan Sp. z o.o.	95 %	No

CANNABISHUBMED Sp. z o.o.

Company seat: ul. Zygmunt Słomińskiego 15/504, 00-195 Warsaw, POLAND
 KRS / registry number: 0000970200
 NIP / tax ID: 5252906168
 REGON / statistical number: 521938970
 Share capital: 5.000,00 PLN
 Management Board: Arkadiusz Trela – President of the Management Board

A newly created special purpose vehicle registered in the National Court Register on May 5, 2022. Until the date of this report, the company has not commenced operations.

Eco Milan Sp. z o.o.

Company seat: ul. Zygmunt Słomińskiego 15/504, 00-195 Warsaw, POLAND
 KRS / registry number: 0000553192
 NIP / tax ID: 5252615198
 REGON / statistical number: 361283113
 Share capital: 8.687.000,00 PLN
 Management Board: Jerzy Dmochowski – President of the Management Board

The company focused on the preparation, engineering, implementation and sale of large development projects in the field of residential and commercial construction.

Companies associated with the Issuer as at the last day of the period covered by this report:

Company name	Share in capital
Energa Plus Sp. z o.o.	37,50 %
Red Pharma Laboratories Polska S.A.	22,50 %

Energa Plus Sp. z o.o.

Company seat: ul. Młynarska 7, 01-205 Warsaw, POLAND
 KRS / registry number: 0000407118
 NIP / tax ID: 1231267123
 REGON / statistical number: 145942994
 Share capital: 10.000,00 PLN
 Management Board: Włodzimierz Grądział – President of the Management Board,

A company specializing mainly in supplying microspheres to large customers in selected countries. The microsphere is a component used in the production of special metal alloys, for which a very high level of durability and strength is required. For example, these alloys are used in the production of spacecraft. Additionally, the Company develops its activities in the field of trade and supply of other goods.

Red Pharma Laboratories S.A.

Company seat: ul. Słoneczna 116A, Stara Iwiczna, 05-500 Piaseczno, POLAND
KRS / registry number: 0000688246
NIP / tax ID: 1132868960
REGON / statistical number: 146874154
Share capital: 580.000,00 PLN
Management Board: Rafał Piotr Prejsnar – President of the Management Board,
Albert Kazimierz Skrzypczak – Vicepresident of the Management Board
Michał Paweł Sinczak – Member of the Management Board

A company pursuing goals in the field of production and sale of medical devices, pharmaceutical products, cosmetics and dietary supplements. The company is intensively expanding its distribution channels for each portfolio segment and developing sales.

2. If the issuer forms a capital group and does not prepare consolidated financial statements or the consolidated financial statements do not include data of all subsidiaries - an indication of the reasons for not preparing consolidated statements by the parent entity or reasons for exemption from consolidation in relation to each subsidiary not included in the consolidation.

The Issuer, analyzing the degree of materiality of financial data, made a decision pursuant to Art. 56 and 58 of the Accounting Act, on the lack of consolidation of financial data of subsidiaries of Black Pearl S.A.

The company does not publish the consolidated financial statements for 2022.

3. If the issuer forms a capital group and does not prepare consolidated financial statements or the consolidated financial statements do not include data of all subsidiaries - selected financial data of all subsidiaries of the issuer not included in the consolidation, containing the basic items of the annual financial statements.

For the avoidance of any doubts, the Issuer encloses the profit and loss account and the balance sheet of its subsidiary - Eco Milan Sp. z o. o. to the published Report.

Profit and loss account and balance sheet of CANNABISHUBMED Sp. z o. o. is not attached because this company has not yet started operations.

4. Selected financial data

Selected financial data of BLACK PEARL S.A.

BLACK PEARL S.A.	31.12.2021	31.12.2021	31.12.2022	31.12.2022
	PLN	EUR	PLN	EUR
Balance sheet total	27 727 199,35	6 028 438,35	20 012 804,57	4 267 213,49
Equity	22 569 565,75	4 907 067,39	14 263 263,34	3 041 272,38
Non-current assets, including:	25 595 712,50	5 565 011,20	18 438 583,44	3 931 551,51
Long-term receivables	0,00	0,00	0,00	0,00
Long-term investments, including:	25 575 712,50	5 560 662,80	18 142 425,90	3 868 403,57
Intangible assets	14 000 000,00	3 043 875,29	7 800 000,00	1 663 148,47
Current assets, including:	1 731 486,85	376 459,29	1 574 221,13	335 661,98
Short-term receivables	1 156 551,95	251 457,14	956 670,23	203 985,21
Long-term liabilities	4 995 306,60	1 086 077,88	4 948 991,24	1 055 244,51
Current liabilities	162 327,00	35 293,08	800 549,99	170 696,60
Net sales revenue	59 010,00	12 829,93	50 400,00	10 746,50
Operating profit/loss	-1 111 195,18	-241 595,68	1 842 711,16	392 910,54
Financial income	3 793 827,40	824 852,68	0,00	0,00
Financial costs	2 287 488,63	497 345,01	9 381 006,57	2 000 257,27
Gross profit/loss	395 143,59	85 911,99	-7 538 295,41	-1 607 346,73
Net profit/loss	395 143,59	85 911,99	-7 538 295,41	-1 607 346,73

For the conversion of data as at the last day of the period 2022 – 31.12.2022, the following were assumed: exchange rate EURO 4.6899 - Table no. 252/A/NBP/2022 of 2022-12-30.

For the conversion of data as at the last day of the period 2021 – 31.12.2021, the following were adopted: rate EURO 4.5994 - Table no. 254/A/NBP/2021 of 2021-12-31.

Additional information about cryptocurrency:

BLACK PEARL S.A. reminds that in the fourth quarter of 2021, in order to avoid collisions with new legal regulations regarding trading in virtual currencies in Poland and due to the achievement of the economic goal of acquiring financial assets (i.e. shares of other companies) using MCAN COIN (using the usable nature of this decentralized digital currency), on 29/10/2021 it concluded an agreement for the sale of 411,434,101,3703 pieces of digital virtual currency MCAN COIN. As a result, 411,434,101,3703 pieces of MCAN COIN digital virtual currency belonging to the Company were sold on 29.10.2021 and permanently removed from the RC20 chain by sending to the address indicated by the Buyer: 0x00000000000000000000000000000000dEaD.

The forced sale transaction was made for a fee of PLN 1,000,000 (one million zlotys). This amount represents a profit from this transaction, as the MCAN COIN digital currency was the Company's off-balance sheet funds.

Thus, until the unification of the law in the field of economic sphere related to virtual currencies in Poland and the Issuer meets the control requirements imposed by the PFSA on entities trading in digital currencies, the Issuer

temporarily suspended activities in the sphere of digital currencies, focusing on activities aimed at a dynamic increase in the value of Black Pearl S.A.'s assets.

Notwithstanding the above, in order to secure the possibility of conducting activities based on virtual currencies in the future, the Company applied for entry in the register of activities in the field of virtual currencies and on May 5, 2022 was entered in the register of activities in the field of virtual currencies under the number RDWW-261.

As of 31.12.2022 The company had 10,000,000.00 pcs. MCAN COIN virtual currency shown on the balance sheet as "Other long-term investments". The value of virtual currency held on the day of purchase (05.07.2021) was PLN 4,000,000.00. Revaluation shall be made once a year at the end of the financial year. The revaluation in line with quotations from the active market made on 31.12.2021 amounted to PLN - 1,847,000.00. The last revaluation in line with quotations from the active market, made on 31.12.2022, amounted to PLN - 1,235,836.60. The value of virtual currency held shown in the balance sheet as "Other long-term investments" after the update amounted to PLN 917,163.60 at the end of 2022.

5. Statements of the Management Board

Warsaw, 30th, May 2023

STATEMENT OF THE MANAGEMENT BOARD OF BLACK PEARL S.A. ON THE RELIABILITY OF PREPARING FINANCIAL STATEMENTS

The Management Board of BLACK PEARL S.A. declares that, to the best of its knowledge, the annual financial statements for the financial year 2022 and comparable data for the financial year 2021 have been prepared in accordance with the regulations applicable to BLACK PEARL S.A. and that they reflect in a true, reliable and clear manner the property and financial situation of BLACK PEARL S.A. and its financial result, and that the Management Board's Report on the activities of BLACK PEARL S.A. contains a true picture of the situation of BLACK PEARL S.A. including a description basic hazards and risks.

Arkadiusz Trela
President of the Management Board

Warsaw, 30th, May 2023

**STATEMENT OF THE MANAGEMENT BOARD OF BLACK PEARL S.A.
ON THE ENTITY AUTHORIZED TO AUDIT FINANCIAL STATEMENTS**

The Management Board of Black Pearl S.A. declares that the audit firm authorized to audit the annual financial statements, auditing the annual separate financial statements of Black Pearl S.A. for 2022, has been selected in accordance with the law, including those regarding the selection and selection procedure of an audit firm. In addition, the Management Board of Black Pearl S.A. declares that the audit firm and team members auditing the annual financial statements for 2022 meet the conditions for expressing an impartial and independent report, in accordance with applicable regulations, professional standards and principles of professional ethics.

Arkadiusz Trela
President of the Management Board

6. Information on the Issuer's application of the corporate governance rules referred to in the document "Good Practices of Companies Listed on NewConnect".

COMPANY STATEMENT

On the Company's compliance with the rules set out in Annex 1 to Resolution No. 293/2010 of the Management Board of the Warsaw Stock Exchange in Warsaw of March 31, 2010 "Good Practices of NewConnect Listed Companies"

PT	GOOD PRACTICE	DECLARATION OF APPLICATION
1	The company should pursue a transparent and effective information policy, both with the use of traditional methods and with the use of modern technologies and the latest communication tools ensuring speed, security and wide and interactive access to information. A company that uses these methods to the greatest possible extent should ensure adequate communication with investors and analysts, also using modern methods of Internet communication, enabling the broadcast of general meetings via the Internet, recording the course of the meeting and publishing it on the website.	YES As part of the above rule, the Issuer applies all provisions of this point, with the exception of broadcasting the general meeting via the Internet, recording the course of the meeting and publishing it on the website. In the opinion of the Management Board, the costs related to the technical handling of the broadcast and the registration of general meetings via the Internet are disproportionate to the possible benefits resulting therefrom. Additionally, the Issuer would like to ensure that all information regarding the General Meeting of Shareholders is published using current reports and the Company's website.
2	The company should ensure effective access to information necessary to assess the company's standing and prospects as well as the way it operates.	YES Announcements are published in a reliable manner and are additionally posted on the corporate website
3	The company runs a corporate website and publishes on it:	YES
3.1	Basic information about the company and its activities (home page)	YES
3.2	A description of the issuer's activities with an indication of the type of activity from which the issuer obtains the most revenues,	YES
3.3	A description of the market on which the issuer operates, together with an indication of the issuer's position on the market,	PARTLY The Issuer indicates separately the industry in which the entities with which the Issuer cooperates (including subsidiaries and associates) operate
3.4	Professional CVs of members of the company's governing bodies,,	NO The professional CVs of the members of the Company's governing bodies have been announced in relevant communications.
3.5	Information received by the Management Board, on the basis of a statement of a member of the Supervisory Board, on the links between a member of the Supervisory Board and a shareholder holding shares	YES

	representing not less than 5% of the total number of votes at the general meeting of the company,	
3.6	Corporate documents of the company,	NO
3.7	Outline of the company's strategic plans,	YES
3.8	Published forecasts of financial results for the current financial year, together with assumptions to these forecasts and adjustments to these forecasts (where the issuer publishes forecasts),	NO The Issuer does not publish forecasts
3.9	The issuer's shareholding structure, indicating the main shareholders and freely traded shares	YES
3.10	Data and contact with the person who is responsible in the company for investor relations and contact with the media,	PARTLY The Issuer does not indicate a separate contact dedicated to the media and investor relations, however, the e-mail contact and contact form may be used for the above purposes
3.11	(deleted)	
3.12	Published current and periodic reports	YES
3.13	Calendar of scheduled dates of publication of financial periodic reports, dates of general meetings, as well as meetings with investors and analysts and press conferences,	YES
3.14	Information on corporate events, such as dividend payments, and other events resulting in the acquisition or limitation of rights on the part of the shareholder, taking into account the timing and rules for conducting these operations. This information should be provided in time for investors to take investment decisions,	YES
3.15	(deleted)	
3.16	Questions on matters on the agenda, asked before and during the general meeting, together with answers to the questions asked,	NO The Company considers that the publication of the questions could harm the interests of shareholders. In addition, all resolutions adopted during General Meetings are made public on an ongoing basis.
3.17	Information on the reasons for the cancellation of the general meeting, change of the date or agenda together with the justification,	YES
3.18	Information on the break in the general meeting and the reasons for ordering the break,	YES
3.19	Information on the entity with which the company has signed a contract for the provision of Authorized Advisor services with an indication of the name, website address, telephone numbers and e-mail address of the Advisor,	YES
3.20	Information on the entity that acts as the animator of the issuer's shares,	NO
3.21	Information document (prospectus) of the company, published within the last 12 months,	NO In the last 12 months, the Company has not published an information document or prospectus
3.22	(deleted)	

	The information contained on the website should be provided in a way that allows easy access to that information. The issuer should update the information on its website. In the event of the emergence of new, relevant information or a material change in the information on the website, the update should be carried out without delay.	YES
4	The Company maintains a corporate website, at the choice of the issuer, in Polish or English. Current and periodic reports should be published on the website in at least the same language in which they are published in accordance with the provisions applicable to the issuer.	YES The corporate website is maintained in English. Announcements are published in Polish and English
5	The Company should conduct an information policy with particular emphasis on the needs of individual investors. For this purpose, the company, in addition to its corporate side, should use the company's individual investor relations section located on the website www.GPWInfoStrefa.pl	NO The Company does not currently use the individual investor relations section located on the www.InfoStrefa.com website, however, it shall ensure sufficient access to information by running a department "For Investors" on the www.blackpearlcapital.pl website
6	The Issuer should maintain ongoing contacts with representatives of the Authorised Adviser to enable it to properly perform its duties towards the issuer. The Company should appoint a person responsible for contacting the Authorized Adviser.	YES
7	In the event that an event occurs in the company which, in the opinion of the issuer, is significant for the performance of the Authorized Adviser's duties, the issuer shall immediately notify the Authorized Adviser of this fact.	YES
8	The Issuer should provide the Authorised Adviser with access to all documents and information necessary to perform the duties of the Authorised Adviser.	YES
9	The Issuer shall provide in the annual report:	
9.1	Information on the total remuneration of all members of the management board and the supervisory board,	NO Information on the remuneration of members of the management board and members of the supervisory board is confidential information. The Issuer will not publish such information without the consent of the members of the company's governing bodies.
9.2	Information on the remuneration of an Authorized Adviser received from the issuer for the provision of services to the issuer in any scope	NO The issue of the remuneration of the Authorized Adviser is confidential information contained in the contract. The Issuer shall not publish such information without the consent of the Authorised Adviser.
10	Members of the management board and the supervisory board should participate in the general meeting in a composition enabling them to provide a substantive answer to questions asked during the general meeting.	YES

11	At least 2 times a year, the issuer, in cooperation with an Authorized Adviser, should organize a publicly available meeting with investors, analysts and the media.	NO As at the date of publication of this statement, the Issuer cannot declare that it will at least 2 times a year, in cooperation with an Authorized Adviser, organize a public meeting with investors, analysts and the media. However, the Issuer does not exclude a change in its position regarding the application of this principle in the future. However, the Issuer, in cooperation with the Authorized Adviser, will organize meetings with investors, analysts and the media as often as possible and necessary for the proper functioning of the Company.
12	The resolution of the general meeting on the issue of shares with pre-emptive rights should specify the issue price or the mechanism for its determination or oblige the body authorized to determine it before the date of determining the pre-emptive right, in time to make an investment decision.	YES
13	The resolution of the general meeting should ensure that the necessary time interval is maintained between decisions triggering certain corporate events and the dates on which shareholders' rights arising from those corporate events are determined.	YES
13a	If the issuer's management board receives from a shareholder holding at least half of the share capital or at least half of the total votes in the company, information about his convening an extraordinary general meeting in the manner specified in Article 399 § 3 of the Commercial Companies Code, the issuer's management board shall immediately perform the activities to which it is obliged in connection with the organization and conduct of the general meeting. This rule also applies if the registered shareholders authorize to convene an extraordinary general meeting pursuant to Article 400 § 3 of the Commercial Companies Code.	YES
14	The dividend entitlement date and the dividend payment date should be such that the time between them is as short as possible and in any case not longer than 15 working days. The establishment of a longer period between those time limits requires detailed justification.	YES
15	A resolution of the general meeting on a conditional dividend may contain only such conditions, the possible fulfillment of which will take place before the date of determining the right to dividend.	YES
16	The Issuer publishes monthly reports within 14 days from the end of the month. The monthly report should contain at least: <ul style="list-style-type: none"> • information on the occurrence of trends and events in the issuer's market environment which, in the issuer's 	NO Due to the fact that the published current and periodic reports provide shareholders and investors with access to information that gives a sufficient picture of the Company's situation,

	<p>opinion, may have significant effects on the issuer's financial condition and financial results in the future,</p> <ul style="list-style-type: none"> • summary of all information published by the issuer in the current report made in the period covered by the report, • information on the achievement of emission targets, if such implementation, even in part, took place during the period covered by the report, • the investor's calendar, including events to take place in the coming month that concern the issuer and are relevant to the interests of investors, in particular the dates of publication of periodic reports, planned general meetings, opening of subscriptions, meetings with investors or analysts, and the expected date of publication of the analytical report. 	<p>the Issuer's Management Board does not currently see the need to publish monthly reports.</p>
<p>16a</p>	<p>In the event of a breach by the issuer of the information obligation set out in Appendix No. 3 to the Regulations of the Alternative Trading System ("Current and periodic information provided in the alternative trading system on the NewConnect market"), the issuer should immediately publish, in a manner appropriate for submitting current reports on the market. NewConnect, information explaining the situation.</p>	<p>YES</p>
<p>17</p>	<p>(deleted)</p>	

7. Report of the Management Board on the Issuer's activity

7.1. Company Information

Company:	BLACK PEARL S.A.
Legal form:	joint-stock company
Country:	Poland
City:	Warsaw
Address:	15/504 Słomińskiego street, 00-195 Warsaw
Phone:	+48 22 415 41 46
www:	www.blackpearlcapital.pl
E-mail:	biuro@blackpearlcapital.pl
KRS registration number:	0000343453
REGON statistical number:	142121110
NIP tax number:	7010211009

7.2. Management Board

The Management Board of the Company is appointed for a five-year term of office, the current term of office lasts until 2026. In the reporting period, the composition of the Management Board did not change and as at the last day of the reporting period, the composition of the Issuer's Management Board is composed of:

- Arkadiusz Trela – President of the Management Board

In addition, a proxy was appointed in the Company:

- Jacek Jakubowski – Proxy

7.3. Supervisory Board

As at 01/01/2022, the composition of the Issuer's Supervisory Board was:

1. Dominik Poszywała – Member of Supervisory Board
2. Mirosław Szczepański – Member of Supervisory Board
3. Adam Strużyk - Member of Supervisory Board
4. Marek Roguski – Member of Supervisory Board
5. Jan Lupa – Member of Supervisory Board
6. Marek Majcher – Member of Supervisory Board

On September 28, 2022, an Extraordinary General Meeting was held, which dismissed Mr. Mirosław Szczepański from the function of Member of the Supervisory Board. The Management Board of the Company thanks Mr. Mirosław Szczepański for his involvement in the Supervisory Board.

As at December 31, 2022, the composition of the Issuer's Supervisory Board was:

1. Dominik Poszywała – Member of Supervisory Board
2. Adam Strużyk - Member of Supervisory Board
3. Marek Roguski – Member of Supervisory Board
4. Jan Lupa – Member of Supervisory Board
5. Marek Majcher – Member of Supervisory Board

Until the date of this report of the Management Board, there were no other changes in the composition of the Supervisory Board.

7.4. Share capital

In 2021, in order to increase the parity of minority shareholders to 19.52% by reducing the number of shares held by Janusz Skopowski by 300,000, a redemption procedure was carried out, which was finally approved by the National Depository for Securities on December 29, 2021.

In addition, a 1:100 share split was made, which was finally approved by the National Depository for Securities on December 30, 2021.

District Court for the Capital City of Warszawa in Warsaw, 12th Commercial Division of the National Court Register, made an appropriate entry in Section 1, Box 9 - Issue of shares on January 14, 2022.

After redemption and division, the number of shares is 245,338,000 of the Company's shares, constituting 100% of the share capital and votes at the General Meeting. The nominal value of each share after the split is PLN 0.10, and the share capital is PLN 24,533,800.00.

As a result of the above operations, the share capital of BLACK PEARL S.A. amounted to as at 01/01/2022 and as at 31/12/2022, and as at the date of this report, it amounts to PLN 24,533,800.00 and is divided into 245,338,000 ordinary bearer shares with a nominal value of PLN 0.10 each.

The share capital structure did not change in the reporting period and as at December 31, 2022 and as at the date of this report, it was as follows:

No	Series of shares	Number of shares (units)	Share in the capital (percentage)	Share in votes (percentage)
1.	D	40 338 000	16,44	16,44
2.	E	130 000 000	52,99	52,99
3.	F	75 000 000	30,57	30,57
Total		245 338 000	100,00	100,00

The share capital is properly presented in the balance sheet.

7.5. Shareholding structure

According to the data held by BLACK PEARL S.A. notifications prepared on the basis of art. 69 of the Act of 29 July 2005 on Public Offering and Conditions for Introducing Financial Instruments to Organized Trading and on Public Companies (consolidated text, Journal of Laws of 2013, No. 1382, as amended, hereinafter also referred to as the "Act on public offering") list of shareholders holding over 5% of shares in BLACK PEARL S.A. was presented as shown below.

Shareholding structure as at the last day of the reporting period, with an indication of shareholders holding at least 5% of votes at the General Meeting was as follows:

No	Shareholder designation	Number of shares (units)	Share in the capital (percentage)	Share in votes (percentage)
1.	Janusz Skopowski	202 529 490	82,55 %	82,55 %
2.	OTHER SHAREHOLDERS	42 808 510	17,45 %	17,45 %
Total:		245 338 000	100 %	100 %

7.6. The scope of activities of the Company in the reporting period

The scope of the company's activities in 2022 was and still is:

- Activities of financial holding companies - PKD 64.20.Z
- Financial leasing - PKD 64.91.Z
- Other financial service activities, not classified elsewhere, except insurance and pension funds - PKD 64.99.Z
- Buying and selling of real estate - PKD 68.10.Z
- Rent and management of own or leased real estate - PKD 68.20.Z
- Real estate brokerage - PKD 68.31.Z
- Other business and management consultancy activities - PKD 70.22.Z
- Renting and leasing of office machinery and equipment, including computers - PKD 77.33.Z
- Other professional, scientific and technical activities not elsewhere classified - PKD 74.90.Z
- Other non-school forms of education not elsewhere classified - PKD 85.59.B

The scope of the Company's activity is the raising of capital and the implementation of investments of the collected funds in selected non-public entities, financing their development and substantive support at various stages of development and growth.

Implementation of investments is carried out through the purchase of stocks and shares of non-public companies, conducting activities characterized by a high level of innovation and high growth potential.

7.7. Significant events in 2022 and after its completion, until the date of approval of the financial statements

2022 was a year of dynamic business activities aimed at building the order of assets held and preparing the foundations for future activities ensuring above-average results.

Activities in the first quarter of 2022:

In the first quarter of 2022, the Issuer focused its activities primarily on the implementation by BLACK PEARL S.A. of a development strategy aimed at dynamically strengthening the sphere of unconventional investments based on the acquisition of enterprises, and thus an increase in the value of the Company's assets.

In the first quarter of 2022, the Issuer sold previously held shares in the company under the name "Carbonheat" Sp. z o.o. and as at the end of the first quarter of 2022, the Company held the following assets:

- Eco Milan Sp. z o.o. (held by 95% of shares)
- Elektrownia Słoneczna Blizocin Sp. z o.o. (held 49% of shares)
- Energia Plus Sp. z o.o. (held 37.5% of shares)
- Red Pharma Laboratories S.A. (held 22.5% of shares)
- Reeco Nieruchomości Sp. z o.o. (held 100% of shares)

In addition to activities related to the implementation of the strategy, the Management Board focused on completing the procedure related to the implementation of the provisions concerning the increase in the parity of minority shareholders as a result of a reduction in the number of shares held by Janusz Skopowski by 300,000 shares. In

connection with their redemption (approved by KDPW on 29.12.2021) and the procedure related to the division of 1:100 shares (approved by KDPW on 30.12.2021).

On 14.01.2022, the District Court for the m.st. Warsaw in Warsaw, XII Commercial Division of the National Court Register, made an appropriate entry in Section 1, Box 9 – Share Issues.

After redemption and division, the number of shares amounts to 245,338,000 BPC shares constituting 100% of the share capital and votes at the AGM. The nominal value of each share after division is PLN 0.10, and the share capital is PLN 24,533,800.00.

Activities in the second quarter of 2022:

In the second quarter of 2022, the Issuer focused its activities primarily on the implementation by BLACK PEARL S.A. of a development strategy aimed at increasing the value of the Company's assets.

At the same time, as a result of macroeconomic and geopolitical changes, the Management Board began an analysis of the economic environment aimed at developing a review of options for further strategic development.

In addition, on May 5, 2022, a new special purpose vehicle - CANNABISHUBMED Sp. z o.o. - was registered in the National Court Register. By the date of this report, the company has not commenced operating activities.

As at the end of the second quarter of 2022, the Company held the following assets:

- CANNABISHUBMED Sp. z o.o. (held 100% of shares)
- Eco Milan Sp. z o.o. (held by 95% of shares)
- Elektrownia Stoneczna Blizocin Sp. z o.o. (held 49% of shares)
- Energia Plus Sp. z o.o. (held 37.5% of shares)
- Red Pharma Laboratories Polska S.A. (held 22.5% of shares)
- Reeco Nieruchomości Sp. z o.o. (held 100% of shares)

The Management Board also reminds that until the unification of the law in the field of economic sphere related to virtual currencies in Poland and the Issuer meets the control requirements imposed by the PFSA on entities trading in digital currencies, the Issuer temporarily ceased to conduct activities in the sphere of virtual currencies, focusing on activities aimed at dynamically strengthening the sphere based on the acquisition of enterprises, and thus an increase in the value of the Company's assets Black Pearl S.A. Nevertheless, regardless of the suspension of activities in the sphere of digital currencies, in order to secure the possibility of conducting activities based on virtual currencies in the future, the Management Board of the Company submitted an application for entry in the register of activities in the field of virtual currencies and on May 5, 2022. The company is entered in the register of activities in the field of virtual currencies under the number RDWW-261.

On 30 June 2022, in the presence of notary Paweł Orłowski, who runs a notary office in Warsaw at 70 Wspólna Street, the Ordinary General Meeting was held, which adopted all planned resolutions, including, among others, resolutions granting discharge to Members of the Management Board and Members of the Supervisory Board, a resolution approving the Company's financial statements for the financial year ending 31 December 2021, resolution on the distribution of profit and resolution on the payment of dividend in the amount of 1.5% of the nominal value of shares – 0.15 grosz (PLN 0.0015) for each share with a nominal value of PLN 0.10.

Significant resolutions of the Ordinary General Meeting of June 30th, 2022:

**"Resolution No. 4 of June 30, 2022
of the Ordinary General Meeting of Black Pearl S.A. with its registered office in Warsaw
regarding consideration and approval of the Management Board's Report on the Company's activities
for 2021.**

The Ordinary General Meeting of Black Pearl spółka akcyjna with its registered office in Warsaw, acting pursuant to art. 393 item 1 and art. 395 § 2 point 1 of the Commercial Companies Code, after considering the Management Board's report on the Company's activities in 2021, resolves as follows:-----

§ 1

The Annual General Meeting approves the Management Board's Report on the Company's activities for the period from January 1, 2021 to December 31, 2021. -----

§ 2

The resolution shall enter into force upon its adoption." -----

**"Resolution No. 5
of 30 June 2022
of the Ordinary General Meeting of Black Pearl S.A. with its registered office in Warsaw
regarding consideration and approval of the Company's financial statements for 2021**

Acting pursuant to art. 393 point 1), in conjunction with art. 395 § 2 point 1) of the Commercial Companies Code, the Ordinary General Meeting of the company under the name Black Pearl Spółka Akcyjna with its registered office in Warsaw, decides as follows: -----

§ 1.

The Ordinary General Meeting of the company under the name Black Pearl Spółka Akcyjna with its registered office in Warsaw, after consideration, decides to consent to the use of the method adopted for the preparation of the said Report and approve the Company's Financial Statements for the financial year 2021, i.e. for the period from January 1, 2021 to December 31, 2021, including:-----

1. Introduction, -----
2. balance sheet as at 31 December 2021,-----
3. profit and loss account for the period from 1 January 2021 to 31 December 2021, indicating profit of PLN 395,143.59, -----
4. statement of changes in equity (fund), -----
5. cash flow statement during the financial year 2021, -----
6. notes to the financial statements for the financial year 2021, i.e. for the period from 1 January 2021 to 31 December 2021.-----

§ 2.

The resolution shall enter into force upon its adoption." -----

**"Resolution No. 15
of 30 June 2022
of the Ordinary General Meeting of Black Pearl S.A. with its registered office in Warsaw
on the allocation of the Company's profit for the financial year ending on 31 December 2021 and setting
the dividend date and the date of its payment**

§1

The Ordinary General Meeting of the company under the name Black Pearl Spółka Akcyjna with its registered office in Warsaw, after hearing and considering the opinion of the Supervisory Board and the motion of the Management Board, acting pursuant to art. 395 § 2 point 2 and art. 396 § 5 of the Commercial Companies Code, decides and resolves as follows: -----

1. A part of the net profit for the financial year 2021 in the amount of PLN 368,007.00 (in words: three hundred sixty eight thousand seven zlotys) to be allocated for the payment of dividend to the Company's Shareholders. -----
2. The dividend in the amount of PLN 368,007.00 constitutes 1.5% of the nominal value of shares – 0.15 grosz per share with a nominal value of PLN 0.10. -----
3. The remaining part of the net profit for the financial year 2021 in the amount of PLN 27,136.59 (in words: twenty-seven thousand one hundred and thirty-six zlotys and fifty-nine grosze) to cover losses from previous years.

§2

The Annual General Meeting of Black Pearl S.A. pursuant to art. 348 § 4 of the Commercial Companies Code determines: -----

- dividend date as at 30.09.2022 -----
- dividend payment date as at 30.12.2022 -----

§3

The resolution shall enter into force on the date of its adoption." -----

Activities in the third quarter of 2022:

This quarter was a period of further work related primarily to the implementation by BLACK PEARL S.A. of a development strategy aimed at dynamically strengthening the sphere of unconventional investments, and thus increasing the value of the Company's assets.

Bearing in mind the dynamically changing macroeconomic and geopolitical situation, the Management Board decided to analyze and organize the Issuer's portfolio. The Management Board analysed the portfolio companies in terms of their development potential, with particular emphasis on entities in which revaluation write-downs were made. The aim of the Issuer's Management Board is to potentially reduce the number of portfolio companies and focus on the development of entities from the most promising industries. The actions taken are aimed at increasing the efficiency of portfolio company management and preparing the Company to implement the most advantageous strategy aimed at dynamic value growth.

During this period, the Company sold shares in the following entities:

- Elektrownia Słoneczna Blizocin Sp. z o.o. (previously held 49% of shares)
- Reeco Nieruchomości Sp. z o.o. (previously held 100% of shares)

As at the end of the third quarter of 2022, the Company held the following assets:

- CANNABISHUBMED Sp. z o.o. (held 100% of shares)
- Eco Milan Sp. z o.o. (held by 95% of shares)
- Energa Plus Sp. z o.o. (held 37.5% of shares)
- Red Pharma Laboratories Polska S.A. (held 22.5% of shares)

On 7 July 2022, the Management Board concluded an agreement to act as an Authorized Adviser with Best Capital sp. z o.o. with its registered office in Wrocław (hereinafter the "Agreement"). The agreement entered into force on the day of signature. It concerns the performance of the obligation to conclude an agreement with an Authorised Adviser to the extent specified in § 18 section 2 points 3) and 4) of the Alternative Trading System Regulations, imposed by the Exchange Management Board by Resolution 567/2022. Under the Agreement, the Authorised Adviser will cooperate with the Issuer, m.in. in fulfilling the Issuer's disclosure obligations and advise on the functioning of the Issuer's shares in the Alternative Trading System.

On September 28, 2022, an Extraordinary General Meeting was held, which adopted all resolutions, including, among others, a resolution on the approval of the mechanism of independent dividend payment by the Issuer, in view of the position of KDPW, which is not technically prepared to pay a dividend in the amount lower than PLN 1 per share. The General Meeting did not deviate from any of the items planned in the agenda and that all resolutions were voted on. The Management Board also informs about the lack of objections to the resolutions of the General Meeting.

Among others, the following Resolutions were adopted:

"Resolution No. 4 of September 28, 2022

Extraordinary General Meeting of Black Pearl S.A. with its registered office in Warsaw regarding changes in the composition of the Supervisory Board

The Extraordinary General Meeting of Black Pearl spółka akcyjna with its registered office in Warsaw, acting pursuant to art. 385 §1 of the Commercial Companies Code, resolves as follows:

§ 1

The Extraordinary General Meeting dismisses a member of the Supervisory Board – Mr. Mirosław Szczepański.

§ 2

The resolution shall enter into force upon its adoption."

"Resolution No. 5 of September 28, 2022

Extraordinary General Meeting of Black Pearl S.A. with its registered office in Warsaw regarding the approval of the dividend payment mechanism

§ 1

1. The Extraordinary General Meeting acknowledges the fact that KDPW is not technically prepared to pay a dividend in the amount lower than PLN 1 per share, and at the same time, in accordance with Resolution No. 15 of the Ordinary General Meeting of the Company of June 30, 2022, the amount of dividend for each individual share is PLN 0.15.

2. In view of KDPW's position, the Extraordinary General Meeting decides that the Company will make the payment itself – this is without the intermediation of KDPW – dividend referred to in Resolution No. 15 of the Ordinary General Meeting of the Company of June 30, 2022.

3. The Extraordinary General Meeting approves the following dividend payment mechanism:

1/ The total amount paid as dividend may not be higher than PLN 368,007, i.e. the amount allocated for the payment of dividend in accordance with Resolution No. 15 of the Ordinary General Meeting of the Company of June 30, 2022.

2/ Dividend payment will take place in the form of bank transfers.

3/ The total amount of dividend paid to individual shareholders will be rounded up to the nearest penny (with the exception of the majority shareholder of the Company, i.e. Janusz Skopowski, in the case of which the amount of dividend to be paid will be determined taking into account point 4/ and point 1/.

4/ The General Meeting takes note of the position of the largest shareholder of the Company, i.e. Janusz Skopowski, who undertook and agreed that the amount of dividend due to this shareholder should be reduced by the amounts necessary to cover the rounding referred to in item 3/.

§ 2

The resolution shall enter into force upon its adoption."

"Resolution No. 6 of September 28, 2022

Extraordinary General Meeting of Black Pearl S.A. with its registered office in Warsaw regarding the approval of the restructuring of the asset portfolio

§ 1

The Extraordinary General Meeting approves the restructuring of the asset portfolio carried out by the Management Board, in particular approves the sales of unprofitable assets, shares in entities not conducting significant operating activities, with immaterial carrying amount, low development potential or not related to the strategic activities of the Company, and approves the sale of further assets (including shares held in ECO MILAN Sp. z o.o.) at prices offer below 25% of the current carrying amount.

§ 2

The resolution shall enter into force upon its adoption."

Activities in the fourth quarter of 2022:

This quarter was a period of further work related primarily to the implementation by BLACK PEARL S.A. of a development strategy aimed at dynamically strengthening the sphere of unconventional investments, and thus increasing the value of the Company's assets.

On 3.11.2022, the Company received a revaluation of intangible assets in the 'Lignolit' area as at 30 June 2022 for commercial and management purposes. On its basis, in the fourth quarter of 2022, the valuation of intangible assets was updated. The valuation prepared by Andrzej Półkoszek indicates the following values:

about value of business area valuation for the licensee: PLN 14,800,000,

about value of business area valuation for the licensor: PLN 7,800,000.

According to the current document, the valuation has been divided into 2 separate areas. The Company adopted a prudential approach in the valuation of the business area for the licensor (PLN 7,800,000). The company also plans to take operational actions related to the "Lignolit" technology. Once operational, the valuation will be further increased by the value of the business area for the licensee.

Therefore, in the fourth quarter of 2022, the valuation of intangible assets was updated from PLN 14,000,000 to PLN 7,800,000.

The revaluation by PLN 6,200,000 affected both the value of the Company's assets and liabilities.

At the same time, the Management Board informs that the "Lignolit" technology was designed at the beginning of the 2nd decade of the 21st century and is protected by a Polish patent (protection until April 2033).

On November 4, 2022, the Management Board informed shareholders about the method of dividend payment and provided an instruction form.

All information on actions taken and subsequent steps regarding the implementation of resolutions regarding dividend payment are published on an ongoing basis in the form of relevant announcements. The dividend was paid in accordance with the payment instructions received by the Management Board from the shareholders.

In addition, the Management Board informs that due to the nature of the activity of MEDICANCOIN GREECE S.A. (cultivation of medical marijuana and production of preparations based on medical marijuana with THC, and not only with CBD) and legislative discrepancies between Greece and Poland, the Issuer reduced its ownership by selling in 2021 the previously held 8,750 shares in MEDICANCOIN GREECE S.A. and at the moment does not hold shares in MEDICANCOIN GREECE S.A. The effect is to organize the legal status and ownership in a manner enabling legal trade in goods in accordance with local and international law - regulating the trade in psychoactive substances.

At the same time, the Issuer, as part of the implementation of the Company's development strategy aimed at providing the Issuer with long-term revenues, focused on developing the most effective model of cooperation with MEDICANCOIN GREECE S.A. providing the Issuer with future revenues related to the right to distribute products containing THC produced by MEDICANCOIN GREECE S.A.

MEDICANCOIN GREECE S.A. is currently at an advanced investment stage and plans to start operations in 2024. The company under Greek law is dedicated to the implementation of a project based on permits and licenses obtained from the Greek government for the cultivation of medical marijuana in a strictly defined legal regime. Currently, design works have been completed in the field of buildings and installations necessary for the implementation of the project.

Significant information on changes in the Company's governing bodies:

On 30.06.2022, the Ordinary General Meeting of the Company was held, which granted discharge to the Members of the Supervisory Board and Members of the Management Board of the Company for the performance of their duties in 2021.

On September 28, 2022, an Extraordinary General Meeting was held, which dismissed Mr. Mirosław Szczepański from the position of Member of the Supervisory Board. The Management Board of the Company would like to thank Mr. Mirosław Szczepański for his involvement in the Supervisory Board.

7.8. Major achievements in research and development

The Company is the owner of the patent "Modular device for longitudinal wood shredding for the production of wood material", which was registered in the Patent Office of the Republic of Poland, with application number P.403730 and PCT/PL2014/000046 "Patent".

As part of the trilateral cooperation of the Issuer together with Biomass Energy Project S.A. and Zakłady Drzewne Poldan Eksport Import in Sławno, it participates in the research process, as well as the implementation of longitudinal wood shredding technology and the construction of an innovative new generation device. In November 2020, an agreement was signed with the National Centre for Research and Development by Biomass Energy Project S.A., as a licensee of a patent owned by the Issuer, and a project was started: development of a technology for the production of innovative construction materials made of wood based on patent no. PCT/PL2014/000046. Value of the grant: PLN 4,817,621.25 (four million eight hundred seventeen thousand six hundred twenty-one zlotys 25/100). The aim of the project is to conduct research leading to the development of a device in which poles or wood poles move continuously, splitting simultaneously in many planes. The plant material is crushed into strands of fibers forming a "mat" of arbitrarily small thickness.

The obtained material, after drying and covering with a binder, can be combined into properly formed piles and compressed into a beam or board with virtually unlimited dimensions. As a result of R+D works, a technology for the production of structural boards and beams with high technical parameters will be developed. A prototype production line on a semi-technical scale will be constructed.

The resulting structural boards and beams will constitute a product innovation on a global scale with technical and mechanical parameters definitely exceeding the parameters of materials currently available on the market.

From the information obtained by the Issuer's Management Board, a prototype device was built and it is currently in the second test phase.

Forecasts for the coming decades predict significant changes in the quantitative and qualitative nature of the raw material base, therefore an excess of small-sized wood should be expected with a significant deficit of large-size assortments. After completing all test phases of the prototype device, a revised plan for further implementation activities will be prepared.

7.9. Employment

BLACK PEARL S.A. employed 1 employee in the reporting period. The Management Board and the Proxy perform the function on the basis of appointment

7.10. Revenues

In 2022, the Company generated sales revenues of PLN 50,400.00 and other operating income of PLN 2,050,496.07. The company did not generate any financial income.

7.11. Credits and loans

As at the end of 2022, the Company has liabilities under loans and advances in the amount of PLN 965,506.60.

7.12. Accruals

At the end of 2022, the Company did not create accruals.

7.13. Liabilities

As at the end of 2022, the Company has long-term liabilities in the amount of PLN 4,948,991.24 and short-term liabilities in the amount of PLN 800,549.99. The Company regulates its liabilities on an ongoing basis.

7.14. Information on the seasonal or cyclical nature of the Company's operations

The company's operations are neither seasonal nor cyclical.

7.15. Transactions with related entities

In 2022, the Company conducted transactions with the following related entities:

- Eco Milan Sp. z o.o.

7.16. Information on loans granted by the Company, sureties for a credit or loan and on guarantees

As at the end of 2022, loans, loan or loan sureties and guarantees granted by the Company amounted to PLN 506,132.25.

7.17. Major risks related to the conducted activity

Competition risk.

Growing number of similar entities in the future may adversely affect the results of BLACK PEARL S.A. however, such a situation was not observed in the reporting period.

Risks associated with the global pandemic of SARS Covid-19 disease and the war in Ukraine.

The weakening of the market position of some business entities could have affected the financial condition of potential business partners of BLACK PEARL S.A. However, in the reporting period, no significant impact of these factors on the Company's operations was observed. As part of its operations, the Company plans to focus on the most promising areas of development resistant to the impact of these factors.

Liquidity risk associated with investing in shares of non-public companies.

An imperative feature of investment activity are risks in this area. If it is necessary to sell shares or acquired shares, there may be a problem with finding an investor, and the proceeds from the sale of shares in non-public companies may be lower than in the case of public companies. The constantly changing situation on the capital market has a significant impact on the value of revenues from the sale of shares.

Therefore, the Management Board pays special attention to presenting in a proper and prudential manner financial data related to this activity. The correctness of the presentation of data is subject to the assessment of the statutory auditor

Risk related to the macroeconomic situation in Poland.

The development of BLACK PEARL S.A. is closely correlated with the economic situation of the Polish in which the Company operates, so the GDP growth rate, the level of interest rates, the level of inflation as well as unemployment, and thus the degree of indebtedness of business units and households, affects the operations of BLACK PEARL S.A. A slowdown in the economic pace or a decrease in the level of investment of enterprises and an increase in the debt of business entities may have a negative impact on the situation financial contribution of the Company.

The Company undertakes activities aimed at diversifying risk through geographical expansion of its operations.

7.18. Financial risks

The adopted objectives and methods of financial risk management, including the methods of securing significant types of planned transactions for which hedge accounting is applied.

Financial risks related to the activities of BLACK PEARL S.A.:

- **risk of losing financial liquidity**

constant monitoring of financial liquidity prevents the risk of losing financial liquidity

- **time risk** (deadline - the risk of achieving the planned effects within a specified period of time)

The company monitors the effectiveness of investment projects in terms of investment crediting, investment schedules, project life and payback times.

7.19. Expected development and financial situation of the Company

The Management Board expects a good financial standing of the Company. The year 2022 was a period of hard work related primarily to the analysis and ordering of the Issuer's portfolio, related to the dynamically changing macroeconomic and geopolitical situation. The aim of the Issuer's Management Board was to reduce the number of portfolio companies and focus on the development of entities from the most promising industries. The actions taken are aimed at increasing the efficiency of portfolio company management and preparing the Company to implement the most advantageous strategy aimed at dynamic value growth.

7.20. Additional information

Branches.

BLACK PEARL S.A. did not have and does not have any branches as at the date of the report.

Own shares.

In the reporting period, the Company did not make any transaction on own shares. As at the date of the financial statements, the Company does not hold any own shares.

Financial instruments.

In the reporting period, the Company did not apply hedge accounting.

8. The entity's statement on non-financial information prepared pursuant to Art. 49b of the Accounting Act of September 29, 1994, as amended. Journal U.2021.0.217

The Issuer does not prepare a statement because it does not meet the conditions set out in Art. 49b point 1.

9. Position of the Management Board together with the opinion of the Supervisory Board or the Issuer's supervisor regarding the qualified opinion, negative opinion or disclaimer of opinion expressed by the audit company in the audit report

In connection with the reservation expressed by the audit company in the report on the opinion, on May 30, 2023, the Issuer's Management Board adopted Resolution No. 1 with the following wording:

Resolution No. 1
of the Management Board of Black Pearl S.A.

of May 30, 2023

on expressing a position on the reservation expressed by the statutory auditor in the report on the audit of the Company's financial statements

§ 1.

1. Management Board of Black Pearl S.A. with its registered office in Warsaw (the "Company") adopts a position on the reservation expressed by the statutory auditor in the report on the audit of the Company's financial statements.
2. The content of the position is attached to this Resolution.

§ 2.

The resolution enters into force upon its adoption.

Appendix to Resolution No. 1 of the Management Board of Black Pearl S.A. of May 30, 2023

Position of the Management Board of Black Pearl S.A. on the reservation expressed by the entity authorized to audit financial statements in the report on the audit of the annual financial statements of Black Pearl S.A. for the period from January 1, 2022 to December 31, 2022. Report of the statutory auditor of KLB Audyt Sp. z o. o. with its registered office in Katowice (the "Statutory Auditor") regarding the annual financial statements of Black Pearl S.A. ("Company") contains the following disclaimer:

"In the Company's balance sheet drawn up as at December 31, 2022, in item A.IV.4 - Other long-term investments, the value of 10,000,000 pieces of the MCAN virtual currency was shown in the amount of PLN 917,163.40. In the course of our work, we did not collect adequate and sufficient evidence to confirm the reliable valuation and existence of these assets. The stock exchange on which MCAN is listed is not liquid enough to confirm the valuation of the volume held by the Company. We have also not received external confirmations of the Company's right to dispose of MCANs as at December 31, 2022."

With reference to art. 5 point 6.1.8 of Appendix 3 to the Rules of the Alternative Trading System (Current and periodic information provided in the alternative trading system on the NewConnect market) The Management Board of Black Pearl S.A. declares that:

- a) the subject of the reservation does not affect the annual financial statements, including the results and other financial data,
- b) due to the decentralized nature of the area related to virtual currencies and the inability to obtain external formal confirmations in the form of additional accounting documents, the Company obtains the best possible confirmations in the current conditions related to virtual currencies, and thus the Company may take steps to obtain additional documents only in the event of formal and legal changes on the virtual currency market.

According to the facts, as at December 31, 2022, the Company had 10,000,000.00 MCAN COIN virtual currency, shown in the balance sheet as "Other long-term investments". The value of the virtual currency held on the day of purchase (July 5, 2021) was PLN 4,000,000.00. The valuation is updated once a year at the end of the financial year. The revaluation in line with quotations from the active market made on December 31, 2021 amounted to PLN - 1,847,000.00. The last revaluation in line with quotes from the active market,

made on December 31, 2022, amounted to PLN - 1,235,836.60. The value of the virtual currency held in the balance sheet as "Other long-term investments" after the update amounted to PLN 917,163.60 at the end of 2022.

The approach adopted by the Company to the method of presenting the virtual currency in the balance sheet has not been questioned, and thus has no impact on the annual financial statements, including the results and other financial data.

In addition, on May 30, 2023, the Issuer's Supervisory Board adopted Resolution No. 1 with the following wording

Resolution No. 1
of the Supervisory Board of Black Pearl S.A. based in Warsaw
of May 30, 2023

on expressing the Supervisory Board's opinion on the reservation expressed by the statutory auditor in the report on the audit of the Company's financial statements

§ 1

1. The Supervisory Board, having familiarized itself with the position of the Management Board of the Company regarding the reservation expressed by the statutory auditor in the report on the audit of the Company's financial statements (Resolution No. 1 of May 30, 2023), agree with the position of the Management Board of the Company and share the position of the Management Board of the Company about the actions taken.

2. The position of the Company's Management Board is attached to this Resolution.

§ 2

The execution of the resolution is entrusted to the President of the Management Board of Black Pearl S.A.

§ 3

The resolution comes into force on the day of its adoption.