



Quarterly Report

BLACK PEARL S.A.

for the period
July 1st, 2022 – September 30th, 2022

Warsaw, November 14th, 2022

Warsaw, November 14th, 2022

Dear Sir or Madam,

The Management Board of BLACK PEARL S.A. hereby publishes the Report for the third quarter of 2022 presenting the financial results and the most important facts regarding the activities of the Issuer and the companies related to the Issuer 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 analyse and organize the Issuer's portfolio. The Management Board analysed the portfolio companies in terms of development potential, with particular emphasis on entities in the case of which 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 managing portfolio companies and preparing the Company to implement the most advantageous strategy aimed at dynamic value growth.

In addition, due to the fact that KDPW is not technically prepared to pay a dividend in the amount lower than 1 gr per share, and at the same time, in accordance with Resolution No. 15 of the Ordinary General Meeting of the Company of June 30th, 2022, the amount of dividend for each individual share is 0.15 gr, the Management Board has taken action to pay dividends directly by the Issuer in the form of bank transfers, as announced in the relevant communications.

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

Yours faithfully,
Arkadiusz Trela
President of the Management Board

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1. Basic information about the Company

1.1. 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

1.2. Management Board

The Management Board of the Company is appointed for a five-year term of office, the current term of office is until 2026. In the reporting period, the composition of the Management Board did not change and as at the date of publication of the report, the Management Board of the Issuer was composed of:

- Arkadiusz Trela – President of the Management Board
- Jacek Jakubowski – Proxy

1.3. Supervisory Board

The Supervisory Board is appointed for a five-year term of office. In the reporting period, the composition of the Supervisory Board has changed and as at the date of publication of the report, the Issuer's Supervisory Board was composed of:

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

On September 28th, 2022, an Extraordinary General Meeting was held, which dismissed Mr. Mirosław Szczepański from the position of a 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

1.4. Shareholding structure

The share capital structure as at the date of this report is 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	100

The shareholding structure as at the date of this report, with an indication of shareholders holding at least 5% votes at the General Meeting is 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 %

2. Information on companies related to the Issuer, indicating entities subject to consolidation

2.1. List of companies related to the Issuer

Companies related to the Issuer as of the last day of the period covered by this report:

Company name	Share in capital
CANNABISHUBMED Sp. z o.o.	100 %
Eco Milan Sp. z o.o.	95 %
Energa Plus Sp. z o.o.	37,50 %
Red Pharma Laboratories Polska S.A.	22,50 %

The Issuer, analysing the significance of the financial data, made a decision, pursuant to Articles 56 and 58 of the Accounting Act, that the financial data of companies related to Black Pearl S.A. should not be consolidated.

The Company does not publish a consolidated report for the 3rd quarter of 2022.

At the same time, for the avoidance of any doubts, the Issuer encloses the profit and loss accounts and balance sheets of individual related companies to the published Report, while the profit and loss account and the balance sheet of CANNABISHUBMED Sp. z o.o. is not attached as this company has not yet commenced operations.

Bearing in mind the dynamically changing macroeconomic and geopolitical situation, the Management Board decided to analyse and organize the Issuer's portfolio. The Management Board analysed the portfolio companies in terms of development potential, with particular emphasis on entities in the case of which 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 managing portfolio companies and preparing the Company to implement the most advantageous strategy aimed at dynamic value growth.

As a result of the actions taken, from the beginning of 2022, the following actions were carried out:

25 March 2022 – sale of shares in Carbonheat Sp. z o.o. (50 shares with a total nominal value of PLN 2,500.00 were sold for PLN 2,500.00)

5 May 2022 – registration of CANNABISHUBMED Sp. z o.o.

25 August 2022 – sale of shares in Elektrownia Słoneczna Blizocin Sp. z o.o. (49 shares with a total nominal value of PLN 2,450.00 were sold for PLN 4,900.00)

25 August 2022 – sale of shares in Reeco Nieruchomości Sp. z o.o. (1,000 shares with a total nominal value of PLN 50,000.00 were sold for PLN 100,000.00)

2.2. Brief description of companies related to the Issuer

CANNABISHUBMED Sp. z o.o.

Company seat: ul. Zygmunta 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. Zygmunta 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.

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.

2.3. Additional information on entities cooperating with the Issuer

Medicancoin Greece Ltd.

A Greek company dedicated to the implementation of a business 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 work has been completed in the field of buildings and installations necessary for the implementation of the project.

Due to the nature of the activities of MEDICANCOIN GREECE S.A. (cultivation of medical marijuana and production of medical marijuana preparations with THC, and not only with CBD) and legislative discrepancies between Greece and Poland, the Issuer reduced the ownership by selling in 2021 the previously held 8,750 shares in MEDICANCOIN GREECE S.A. and currently does not have any shares in MEDICANCOIN GREECE S.A.

The effect is to organize the legal and ownership status in a way that allows 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 manufactured by MEDICANCOIN GREECE S.A.

3. Selected financial data

Selected financial data of BLACK PEARL S.A. as of September 30th, 2021

BLACK PEARL S.A.	30.09.2021	30.09.2022
<i>Balance sheet sum</i>	27 234 911,99	27 240 842,28
<i>Equity capital</i>	23 824 764,95	22 112 219,50
<i>Fixed assets, including:</i>	22 843 171,94	25 598 261,50
<i>Long-term receivables</i>	0,00	0,00
<i>Current assets, including:</i>	4 391 740,05	1 642 580,78
<i>Short-term financial assets</i>	1 599 822,84	564 913,85
<i>Short-term receivables</i>	3 334 027,11	1 067 700,74
<i>Long-term liabilities</i>	3 190 000,00	4 968 791,24
<i>Short-term liabilities</i>	220 147,04	159 831,54
<i>Net revenues from sale</i>	46 410,00	37 800,00
<i>Profit/loss from operating activities</i>	-741 740,83	1 887 823,42
<i>Financial income</i>	2 393 736,99	0,00
<i>Financial costs</i>	1 653,37	1 945 169,67
<i>Gross profit/loss</i>	1 650 342,79	-57 346,25
<i>Net profit / loss</i>	1 650 342,79	-57 346,25

Additional information about the crypto currency:

As at September 30th, 2022, the Company owned 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 was PLN 4,000,000.00 on the date of purchase. The valuation is updated once a year at the end of the financial year. The last revaluation in line with the quotations from the active market was made on December 31st, 2021 and amounted to - PLN 1,847,000.00.

4. Separate financial data for the 3rd quarter of 2022

4.1. Balance sheet

Separate balance sheet of BLACK PEARL S.A.:

ASSETS		Per day 2021-09-30	Per day 2022-09-30
A.	ASSETS	22 843 171,94	25 598 261,50
I.	Intangible assets	20 000,00	20 000,00
1.	Costs of completed development works	0,00	0,00
2.	Goodwill	0,00	0,00
3.	Other intangible assets	20 000,00	20 000,00
4.	Advances on intangible assets	0,00	0,00
II.	Property, plant and equipment	0,00	0,00
1.	Fixed assets	0,00	0,00
2.	Fixed assets under construction	0,00	0,00
3.	Advances on fixed assets under construction	0,00	0,00
III.	Long-term receivables	0,00	0,00
1.	From affiliated undertakings	0,00	0,00
2.	From other entities in which the entity has a principal interest	0,00	0,00
3.	From other units	0,00	0,00
IV.	Long-term investments	25 055 271,94	25 578 261,50
1.	Property	0,00	0,00
2.	Intangible assets	14 000 000,00	14 000 000,00
3.	Long-term financial assets	8 823 171,94	9 425 261,50
4.	Other long-term investments	0,00	0,00
V.	Long-term accruals	0,00	0,00
1.	Deferred tax assets	0,00	0,00
2.	Other accruals	0,00	0,00
B.	CURRENT ASSETS	4 391 740,05	1 642 580,78
I.	Stocks	0,00	0,00
1.	Materials	0,00	0,00
2.	Semi-finished products and products in progress	0,00	0,00
3.	Finished products	0,00	0,00
4.	Goods	0,00	0,00
5.	Advances on deliveries and services	0,00	0,00
II.	Short-term receivables	3 334 027,11	1 067 700,74
1.	Receivables from related parties	2 314 140,00	0,00
2.	Receivables from other entities in which the entity has a principal interest	0,00	0,00
3.	Receivables from other entities	1 019 887,11	1 067 700,74
III.	Short-term investments	979 716,94	574 880,04
1.	Short-term financial assets	1 599 822,84	564 913,85
2.	Other short-term investments	0,00	0,00
IV.	Short-term accruals	0,00	0,00
C.	CONTRIBUTIONS DUE TO THE BASIC CAPITAL (FUND)	0,00	0,00
D.	OWN SHARES	0,00	0,00
	Total assets	27 234 911,99	27 240 842,28

The value of total assets and the value of individual items in the statement presented above have not changed significantly compared to the previous quarter of 2022.

LIABILITIES			Per day	Per day
			2021-09-30	2022-09-30
A.	EQUITY		23 824 764,95	22 112 219,50
	I.	Share capital	27 533 800,00	24 533 800,00
	I.	Reserve capital	3 021 917,45	5 621 917,45
	I.	Revaluation reserve	0,00	0,00
	IV.	Other reserves	4 499 700,00	4 499 700,00
	V.	Profit (loss) from previous years	-12 880 995,29	-12 485 851,70
	VI.	Net profit (loss)	1 650 342,79	-57 346,25
	VII.	Write-offs from net profit during the financial year (negative amount)	0,00	0,00
B.	LIABILITIES AND PROVISIONS FOR LIABILITIES		3 410 147,04	5 128 622,78
	I.	Provisions for liabilities	0,00	0,00
	1.	Deferred tax liability	0,00	0,00
	2.	Provision for retirement and similar benefits	0,00	0,00
	3.	Other provisions	0,00	0,00
	II.	Long-term liabilities	3 190 000,00	4 968 791,24
	1.	To related parties	3 190 000,00	985 306,60
	2.	For other entities in which the entity has an equity interest	0,00	0,00
	3.	For other entities	0,00	3 983 484,64
	III.	Current liabilities	220 147,04	159 831,54
	1.	Liabilities to related parties	23 580,00	12 570,00
	2.	Liabilities to other entities in which the entity has an equity interest	0,00	0,00
	3.	Liabilities to other entities	0,00	147 261,54
	4.	Special funds	0,00	0,00
	IV.	Accruals	0,00	0,00
	1.	Negative goodwill	0,00	0,00
	2.	Other accruals	0,00	0,00
		Liabilities together	27 234 911,99	27 240 842,28

The value of liabilities together and the value of individual items in the statement presented above have not changed significantly compared to the previous quarter of 2022.

4.2. Profit and Loss

Separate Profit and Loss of BLACK PEARL S.A.:

	ITEM	01.01.2021 – 30.09.2021	01.07.2021 – 30.09.2021	01.01.2022 – 30.09.2022	01.07.2022 – 30.09.2022
A.	Net sales revenue and assimilated	46 410,00	12 600,00	37 800,00	12 600,00
1.	Net revenue from the sale of products	37 800,00	12 600,00	37 800,00	12 600,00
2.	Change in the status of products	0,00	0,00	0,00	0,00
3.	Cost of manufacturing products for the unit's own needs	0,00	0,00	0,00	0,00
4.	Net revenues from the sale of goods and materials	8 610,00	0,00	0,00	0,00
B.	Operating expenses	154 476,28	62 067,69	199 373,06	79 557,93
1.	Depreciation	0,00	0,00	0,00	0,00
2.	Material and energy consumption	9 404,15	4 205,98	2 190,11	1 694,09
3.	External services	80 241,09	35 407,19	138 666,54	64 684,46
4.	Taxes and fees	10 030,00	30,00	4 096,19	0,00
5.	Salary	36 969,10	20 400,00	27 090,00	9 030,00
6.	Social security and other benefits	5 317,95	2 027,52	21 648,14	4 149,38
7.	Other generic costs	3 953,02	0,00	5 682,08	0,00
8.	Value of goods and materials sold	8 560,97	0,00	0,00	0,00
C.	Profit/Loss on Sales (A-B)	-108 066,28	-49 470,69	-161 573,06	-69 957,93
D.	Other operating income	0,81	0,17	2 050 472,48	2 050 151,78
1.	Gain on the disbursement of non-financial fixed assets	0,00	0,00	0,00	0,00
2.	Grants	0,00	0,00	0,00	0,00
3.	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
4.	Other operating income	0,81	0,17	2 050 472,48	2 050 151,78
E.	Other operating expenses	633 675,36	0,50	1 076,00	0,52
1.	Loss on the disbursement of non-financial fixed assets	0,00	0,00	0,00	0,00
2.	Revaluation of non-financial assets	0,00	0,00	0,00	0,00
3.	Other operating costs	633 675,36	0,00	0,00	0,00
F.	Operating profit/loss (C+D-E)	-741 740,83	-49 471,02	1 887 823,42	1 983 193,33
G.	Financial income	2 393 736,99	403 685,00	0,00	0,00
1.	Dividends and profit shares	0,00	0,00	0,00	0,00
2.	Interest	0,00	0,00	0,00	0,00
3.	Gain on the disbursement of financial assets	313 685,00	313 685,00	0,00	0,00
4.	Value adjustment of financial assets	0,00	0,00	0,00	0,00
5.	Other	2 080 051,99	90 000,00	0,00	0,00
H.	Financial costs	1 653,37	0,00	1 945 169,67	1 945 051,15
1.	Interest	1 653,37	0,00	118,67	0,15
2.	Loss on the disbursement of financial assets	0,00	0,00	1 945 051,00	1 945 051,00
3.	Value adjustment of financial assets	0,00	0,00	0,00	0,00
4.	Other	0,00	0,00	0,00	0,00
I.	Gross profit/loss	1 650 342,79	354 213,98	-57 346,25	35 643,28
J.	Income tax	0,00	0,00	0,00	0,00
K.	Other mandatory profit reductions	0,00	0,00		0,00
L.	Net Profit/Loss	1 650 342,79	354 213,98	-57 346,25	35 643,28

4.3. Cash Flow Statement

Separate Cash Flow Statement – BLACK PEARL S.A.:

	ITEM	01.01.2021 – 30.09.2021	01.07.2021 – 30.09.2021	01.01.2022 – 30.09.2022	01.07.2022 – 30.09.2022
A	Cash flows from operating activities				
I.	Net profit (loss)	1 650 342,79	354 213,98	-57 346,25	35 643,28
II.	Total corrections	-958 476,43	-306 256,09	72 758,05	-23 508,30
1.	Depreciation	0,00	0,00	0,00	0,00
2.	Foreign exchange gains (losses)	0,00	0,00	0,00	0,00
3.	Interest and profit shares (dividends)	0,00	0,00	0,00	0,00
4.	Profit (loss) on investment activities	-313 685,00	-313 685,00	0,00	0,00
5.	Change in provisions	0,00	0,00	0,00	0,00
6.	Change in inventory	8 560,97	0,00	0,00	0,00
7.	Change in receivables	-749 533,72	12 947,99	88 851,21	-26 270,43
8.	Change in short-term liabilities, with the exception of loans and advances	-4 723,60	-3 327,53	15 774,54	10 082,13
9.	Change in accruals	-12 841,50	-2 191,55	0,00	0,00
10.	Other adjustments	113 746,42	0,00	-31 867,70	-7 320,00
III.	Net cash flow from operating activities	691 866,36	47 957,89	38 218,92	12 134,98
B	Cash flows from investing activities				
I.	Influence	0,00	0,00	18 100,00	15 600,00
1.	Disposal of intangible assets and property, plant and equipment	0,00	0,00	0,00	0,00
2.	Disposal of investments in real estate and intangible assets	0,00	0,00	0,00	0,00
3.	From financial assets	0,00	0,00	18 100,00	15 600,00
4.	Other investment receipts	0,00	0,00	0,00	0,00
II.	Expenditure	1 772 615,00	0,00	22 000,00	17 000,00
1.	Acquisition of intangible assets and property, plant and equipment	0,00	0,00	0,00	0,00
2.	Investments in real estate and intangible assets	0,00	0,00	0,00	0,00
3.	On financial assets	690 615,00	0,00	22 000,00	17 000,00
4.	Other capital expenditure	882 000,00	0,00	0,00	0,00
III.	Net cash flow from investing activities	-1 772 615,00	0,00	-3 900,00	-1 400,00
C	Cash flows from financing activities				
I.	Influence	1 987 045,00	292 645,00	14 000,00	0,00
1.	Net proceeds from the issuance of shares (issue of shares) and other equity instruments and capital subsidies	0,00	0,00	0,00	0,00
2.	Loans and advances	129 400,00	0,00	0,00	0,00

	3.	Issuance of debt securities	0,00	0,00	0,00	0,00
	4.	Other financial inflows	1 857 645,00	292 645,00	0,00	0,00
	II.	Expenditure	33 500,00	20 000,00	36 915,36	0,00
	1.	Acquisition of own shares	0,00	0,00	0,00	0,00
	2.	Dividends and other payments to owners	0,00	0,00	0,00	0,00
	3.	Other than distribution expenses to owners	0,00	0,00	0,00	0,00
	4.	Repayment of loans and advances	13 500,00	0,00	0,00	0,00
	5.	Redemption of debt securities	0,00	0,00	0,00	0,00
	6.	For other financial liabilities	0,00	0,00	0,00	0,00
	7.	Payment of liabilities under finance lease agreements	0,00	0,00	0,00	0,00
	8.	Interest	0,00	0,00	0,00	0,00
	9.	Other financial expenditure	20 000,00	20 000,00	0,00	0,00
	III.	Net cash flow from financing activities	1 953 545,00	272 645,00	-22 915,36	0,00
D		Total net cash flow	872 796,36	320 602,89	11 403,56	10 734,98
E		Balance sheet change in cash	552 193,47	320 602,89	11 403,56	10 734,98
F		Cash at the beginning of the period	157 484,53	709 678,00	47 378,04	48 046,62
G		Cash at the end of the period	1 030 280,89	1 030 280,99	58 781,60	58 781,60

4.4. Statement of changes in equity capital

Separate statement of changes in equity capital - BLACK PEARL S.A.

	ITEM	01.01.2021 – 30.09.2021	01.07.2021 – 30.09.2021	01.01.2022 – 30.09.2022	01.07.2022 – 30.09.2022
I.	Equity (fund) at the beginning of the period (BO)	22 174 422,16	22 174 422,16	23 824 764,95	22 174 422,16
I.A.	Equity (fund) at the beginning of the period (BO), after adjustments	22 174 422,16	22 174 422,16	23 824 764,95	22 174 422,16
1.	Capital (fund) at the beginning of the period	27 533 800,00	27 533 800,00	27 533 800,00	24.533.800,00
1.1.	Changes in the capital (fund) of the core	0,00	0,00	-3 000 000,00	0,00
1.2.	Capital (fund) at the end of the period	27 533 800,00	27 533 800,00	24 533 800,00	24 533 800,00
2.	Reserve capital (fund) at the beginning of the period	3 021 917,45	3 021 917,45	3.021.917,45	5 621 917,45
2.1.	Changes in reserve capital (fund)	0,00	0,00	2.600.000,00	0,00
2.2.	Reserve capital (fund) at the end of the period	3 021 917,45	3 021 917,45	5 621 917,45	5 621 917,45
3.	Revaluation reserve at the beginning of the period - changes in accounting policies	0,00	0,00	0,00	0,00
3.1.	Changes in revaluation reserve (fund)	0,00	0,00	0,00	0,00
3.2.	Revaluation reserve at the end of the period	0,00	0,00	0,00	0,00
4.	Other reserve capitals (funds) at the beginning of the period	4 499 700,00	4 499 700,00	4 499 700,00	4 499 700,00
4.1.	Changes in other reserves	0,00	0,00	0,00	0,00
4.2.	Other reserve capitals (funds) at the end of the period	4 499 700,00	4 499 700,00	4 499 700,00	4 499 700,00
5.	Profit (loss) from previous years at the beginning of the period	-12 880 995,29	-12 880 995,29	-12 485 851,70	-12 485 851,70
5.1.	Profit from previous years at the beginning of the period	0,00	0,00	0,00	0,00
5.2.	Profit from previous years at the beginning of the period, after adjustments	0,00	0,00	0,00	0,00
5.3.	Profit from previous years at the end of the period	0,00	0,00	0,00	0,00
5.4.	Loss from previous years at the beginning of the period	12 880 995,29	12 880 995,29	12 485 851,70	12 485 851,70
5.5.	Loss from previous years at the beginning of the period, after corrections	12 880 995,29	12 880 995,29	12 485 851,70	12 485 851,70
5.6.	Loss from previous years at the end of the period	12 880 995,29	12 880 995,29	12 485 851,70	12 485 851,70
5.7.	Profit (loss) from previous years at the end of the period	-12 880 995,29	-11 584 866,48	-12 485 851,70	-12 485 851,70
6.	Net result	1 650 342,79	354 213,98	-57 346,25	35 643,28
II	Equity (fund) at the end of the period (BZ)	23 824 764,95	23 824 764,95	22 112 219,50	22 112 219,50
III	Equity (fund), after taking into account the proposed distribution of profit (covering the loss)	23 824 764,95	23 824 764,95	22 112 219,50	22 112 219,50

5. Management Board's report on activities in the 3rd quarter of 2022

5.1. Management Board's comment on significant factors and events in the 3rd quarter of 2022

5.1.1. Significant financial information

At the end of the third quarter of 2022 (in the period from 01.01.2022 to 30.09.2022) BLACK PEARL S.A. achieved cumulative net sales revenues of PLN 37,800.00 while in the third quarter of 2022 they amounted to PLN 12,600.00.

In the third quarter of 2022, the Company generated other operating income of PLN 2,050,151.78, which resulted, among others, from the reversal of write-downs for shares in Reeco Nieruchomości in the amount of PLN 2,050,000.00. During this period, it incurred financial costs in the amount of PLN 1,945,169.67 resulting from the sale of shares in Reeco Nieruchomości. During this period, the Company incurred operating costs in the amount of PLN 199,373.06.

In the reporting period, the Company achieved a profit of PLN 35,643.28, which contributed to a reduction in the loss from the first half of 2022. The accumulated loss at the end of the third quarter of 2022 amounted to PLN 57,346.25.

The balance sheet total as at 30.09.2022 amounted to PLN 27,240,842.28, and the equity was PLN 22,112,219.50.

5.1.2. Significant information on changes in the Company's governing bodies

In the reporting period, the composition of the Management Board did not change.

On September 28, 2022, an Extraordinary General Meeting was held, which dismissed Mr. Mirosław Szczepański from the position of a 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

5.1.3. Significant information on the implementation of the provisions of contracts and resolutions

On June 30th, 2022, the Ordinary General Meeting was held, which adopted resolution No. 15 on the allocation of the Company's profit for the financial year ending on December 31st, 2021 and the determination of the dividend date and the date of its payment, according to which:

- part of the net profit for the financial year 2021 in the amount of PLN 368,007.00 (in words, three hundred and sixty-eight thousand seven zlotys) was allocated for the payment of dividends to the Company's Shareholders,
- dividend in the amount of PLN 368,007.00 constitutes 1.5% of the nominal value of the shares – 0.15 grosz per share with a nominal value of PLN 0.10,
- the dividend date was set at 30.09.2022,
- the dividend payment date was set at 30.12.2022.

Shareholders holding shares of the Company covered by the ISINPLBLKPC00014 code are entitled to dividends. The total number of shares entitled to dividend is 245 338 000 pcs.

After consultations with the National Depository for Securities ("KDPW"), the Issuer decided to pay the dividend on its own, i.e. without the intermediation of KDPW.

This decision results from the fact that KDPW is not technically prepared to pay a dividend in the amount lower than 1 gr per share, and at the same time, in accordance with Resolution No. 15 of the Ordinary General Meeting of the Issuer, the Issuer's Management Board intends to pay the adopted dividend.

On September 28th, 2022, the Extraordinary General Meeting was held, which adopted, among others, a resolution on the approval of the following mechanism of independent dividend payment by the Issuer:

- 1/ The total amount paid as a dividend may not be higher than PLN 368,007, i.e. the amount intended for the payment of dividends in accordance with Resolution No. 15 of the Ordinary General Meeting of the Company of June 30th, 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 grosz (with the exception of the majority shareholder of the Company, i.e. Janusz Skopowski, for whom the amount of dividend to be paid will be determined taking into account point 4/ and point 1/.
- 4/ The General Meeting took 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 point 3/.

All information on the actions taken and the next steps regarding the implementation of resolutions regarding the payment of dividends are published on an ongoing basis in the form of relevant announcements.

5.1.4. Significant events and resolutions

On July 7th, 2022, the Management Board concluded an agreement with Best Capital sp. z o.o. with its registered office in Wrocław to act as an Authorized Advisor (hereinafter referred to as the "Agreement"). The Agreement entered into force on the day of signing. It concerns the execution of the obligation to conclude an agreement with an Authorized Advisor in the scope 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. The Authorized Advisor under the Agreement will cooperate with the Issuer m.in in fulfilling the Issuer's information obligations and advise on the functioning of the Issuer's shares in the Alternative Trading System

On September 28th, 2022, the 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 relation to the position of KDPW, which is not technically prepared to pay a dividend in the amount lower than 1 grosz per share. The General Meeting did not depart from any of the items planned on the agenda and that all resolutions were voted through. The Management Board also informs about the lack of objections to the resolutions of the General Meeting.

Among other things, the following Resolutions were adopted:

"Resolution No. 4 of 28 September 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 S.A. with its registered office in Warsaw, acting on the basis of article 385 §1 of the Commercial Companies Code, resolves the following:

§ 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 28 September 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 1 gr per share, and at the same time, in accordance with Resolution No. 15 of the Ordinary General Meeting of the Company of June 30th, 2022, the dividend amount for each individual share is 0.15 grosz.

2. In view of the position of KDPW, the Extraordinary General Meeting decides that the Company will independently pay – i.e. without the intermediation of KDPW – the dividend referred to in Resolution No. 15 of the Ordinary General Meeting of the Company of June 30th, 2022.

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

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

2/ The 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 grosz (with the exception of the majority shareholder of the Company, i.e. Janusz Skopowski, for whom 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 point. 3/.

§ 2

The resolution shall enter into force upon its adoption."

"Resolution No. 6 of 28 September 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 sale of unprofitable assets, shares in entities not conducting significant operating activities, with an insignificant carrying amount, low development potential or not related to the strategic activity of the Company carried out so far, and agrees to sell further assets (including shares held in ECO MILAN Sp. z o.o.) at prices offerings below 25% of the current carrying amount.

§ 2

The resolution shall enter into force upon its adoption."

5.2. Brief description of significant achievements of the Issuer in the 3rd 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 analyse and organize the Issuer's portfolio. The Management Board analysed the portfolio companies in terms of development potential, with particular emphasis on entities in the case of which 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 managing portfolio companies and preparing the Company to implement the most advantageous strategy aimed at dynamic value growth. As at the end of the third quarter of 2022, the Company held the following assets:

- CANNABISHUBMED Sp. z o.o. (100% of shares held)
- Eco Milan Sp. z o.o. (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)

Due to the nature of the activities of MEDICANCOIN GREECE S.A. (cultivation of medical marijuana and production of preparations based on medical marijuana with THC and not exclusively with CBD) and legislative discrepancies between Greece and Poland, the Management Board, as part of the implementation of the Company's development strategy aimed at providing the Issuer with long-term revenues, focused its activity on developing the most effective model of cooperation with MEDICANCOIN GREECE S.A. providing the Issuer with future revenues. related to the right of distribution of products containing THC produced by MEDICANCOIN GREECE S.A. within the framework of the applicable legal order related to the legal trade in goods in accordance with local and international law regulating the trade in psychoactive substances

Until the unification of the law in the economic sphere related to cryptocurrencies 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 cryptocurrencies, focusing on activities aimed at dynamically strengthening the sphere based on the acquisition of enterprises, and thus increasing the value of the assets of Black Pearl S.A.

Nevertheless, regardless of the suspension of activities in the field of cryptocurrencies, in order to secure the possibility of conducting activities based on cryptocurrencies in the future, the Management Board of the Company submitted an application for entry in the register of activities in the field of cryptocurrencies and on May 5th, 2022. The company has been entered in the register of activities in the field of virtual currencies under the number RDWW-261.

5.3. Description of the status of implementation of the activities and investments of the Issuer and related companies and the schedule of their implementation, about which the Issuer informed in the information document

Not applicable.

5.4. The position of the Management Board regarding the possibility of meeting the published forecasts of financial results for a given year in the light of the results presented in this quarterly report

The issuer did not publish any forecasts.

5.5. Initiatives aimed at introducing innovative solutions in the enterprise

In the period covered by the report, the Issuer did not implement innovative solutions in the Issuer's enterprise.

6. Information on the number of people employed by the Issuer, converted into full time jobs

BLACK PEARL S.A. in the reported quarter, it employed 1 employee (FTE). The Management Board performs the function on the basis of appointment.

7. Information on the principles adopted when drawing up the report, including information on changes in the applied accounting principles (policy)

Selected principles of the Issuer's accounting bookkeeping policy

The accounting principles applied by the entity are adapted to the provisions resulting from the Accounting Act of 29 September 1994 (Journal of Laws of 2002, No. 76, item 76, item 76). 694 of late. as amended) and comply with IFRS 1 and IAS.

Analytical accounts are adapted to the scope of the Company's operations and needs in a way that ensures the preparation of financial statements, their analysis and settlement of taxes. Changes in the list of accounts may be made in the event of changes resulting from the limitation or extension of the scope of the Company's activities or in other justified cases. Changes can be made by deleting existing accounts or adding new accounts. The account designation contains a three-digit symbol and the full name of the account. The Company groups economic events in accordance with the law in force in Poland and the common rules applicable in business transactions.

The financial year is the calendar year. It consists of 12 consecutive calendar months.

Rules for the preparation of financial statements

The quarterly financial statements were prepared on the assumption that the Company will continue its business activities in the foreseeable future. There were no changes in accounting policies during the period covered by the reporting. These principles were applied in all presented periods continuously. The report was prepared in PLN.

Applicable rules for the valuation of assets and liabilities.

The financial data presented in this report have been prepared in accordance with the accounting policy, the Accounting Act and national accounting standards applied in the entity.

Intangible assets

Intangible assets consist of assets acquired per entity, not classified as fixed assets or investments, suitable for economic use, with an expected economic useful life of more than one year, intended for use for the purposes of the entity, in particular:

- a) copyrights, related rights, licenses, concessions,
- b) rights to inventions, patents, trademarks, utility models and ornamental models,
- c) know-how,
- d) acquired goodwill and costs of successful and implemented development work.

Intangible assets are valued at the purchase price or production costs less depreciation charges as well as impairment losses.

Depreciation shall begin in the month following that in which the transfer for use took place in equal monthly amounts. Intangible assets with a unit initial value of not more than PLN 10,000.00 are depreciated once.

The depreciation periods shall be:

- for the license – 24 months,
- for other intangible assets – 60 months.

Fixed assets and fixed assets under construction

Fixed assets are recorded according to the following principles:

Fixed assets, i.e. property, plant and equipment and assimilated assets, not eligible for investment, with an expected useful life of more than one year complete and remotely usable for the purposes of the entity:

- real estate – including land, the right of perpetual usufruct of land, buildings and structures, separate ownership premises, cooperative ownership right to a dwelling;

- machinery, equipment, means of transport and other goods,
 - improvements in foreign fixed assets
- the initial value of fixed assets is recognised in the accounts at cost.

The initial value (representing the purchase price or the cost of production of a fixed asset) is increased by the costs of its improvement, consisting in reconstruction, extension, modernization or reconstruction and causing that the value in use of this asset after completion of the improvement exceeds the value in use possessed at the time of acceptance for use, measured by the period of use, production capacity, quality of products obtained with the help of the improved fixed asset, operating costs or the passage of time. The initial value and depreciation charges made so far on fixed assets may be revalued.

The net book value of a fixed asset determined as a result of the revaluation should not be higher than its fair value, which is economically unjustified to describe during the intended period of its continued use.

The difference in the net value of fixed assets resulting from the revaluation relates to the revaluation reserve and cannot be allocated for distribution.

The Company applies a straight-line method of depreciation of assets, starting from the month following commissioning, in equal monthly installments and sets the rules, rates and depreciation periods, taking into account the period of economic usefulness of the fixed asset.

Property, plant and equipment with a unit initial value of not more than PLN 10,000.00 shall be depreciated once in the following month after being put into use.

Fixed assets under construction

Expenses incurred for the production of property, plant and equipment until they are put into use are presented as fixed assets under construction.

Fixed assets under construction are entered into the books and measured at least as at the balance sheet date in the amount of all costs directly related to their acquisition or production, less impairment losses.

During the construction of a complex of facilities, the records should distinguish common costs, which are subject to settlement for individual objects in proportion to their value after completion of construction. Construction costs do not include the costs of acquiring land for construction. Land acquired in connection with the construction is an independent object and its value is included directly in fixed assets.

Long-term investments

Real estate is recorded and valued in accordance with the rules applicable to fixed assets and intangible assets, i.e. at purchase prices or production costs, or revalued value, less depreciation charges and impairment losses.

Intangible assets included in the investment are recorded and valued in accordance with the rules applicable to fixed assets and intangible assets, i.e. at purchase prices or production costs, or revalued value, less depreciation charges and impairment losses.

Shares in subordinated entities classified as non-current assets are measured at cost less impairment losses.

Interests in subordinated entities not included in fixed assets are measured at cost less impairment losses.

Shares in other entities and investments classified as non-current assets are measured at cost less impairment losses.

Crypto currency (MCAN) classified as "Other long-term investments" is valued at the active market quote rate and revaluation is made once a year at the end of the financial year.

Short- and long-term receivables

Receivables shall be entered in the accounts in the amount of payment required, with caution. Overdue receivables (not covered by a guarantee or other security for receivables) are revaluation write-down.

Write-downs on receivables are included in other operating or financial expenses. Receivables that have been written off, expired or irrecoverable reduce previously made write-downs of their value and are removed from the records. If the reason for which the impairment loss was made ceases, the equivalent of all or the relevant part of the previously

made write-down increases the value of the receivables and is included in other operating income or financial income, respectively.

Records of receivables shall be kept in such a way as to enable:

- In accounts receivable for trade and services, separation of receivables in settlements with related and other entities, including:
 - a) Amounts payable within a period of up to 12 months,
 - b) Payable over a period of more than 12 months
- When granting loans, the division into short-term and long-term loans
- When paying advances, the division into:
 - a) Advances on intangible assets,
 - b) Advances on fixed assets under construction,
 - c) Advances on the supply of working capital and services.

Investments – financial assets – financial instruments

The Company classifies financial instruments on the date of their acquisition or inception into the following categories:

1) Financial assets and financial liabilities held for trading

Financial assets held for trading include assets acquired for the economic purpose of obtaining economic benefits resulting from short-term price changes and fluctuations in other market factors or the short duration of the instrument acquired, as well as other financial assets, regardless of the intention pursued when concluding the contract, if they are part of a portfolio of similar financial assets that is likely to be executed in the short term. the assumed economic benefits.

2) Available-for-sale financial assets

The category of financial assets held for sale includes other financial assets that do not meet the conditions for classification as financial assets held for trading.

Method of valuation:

Financial assets are entered in the accounts at the date of conclusion of the contract at the purchase price, i.e. at the fair value of expenses incurred or transferred in exchange for other assets, and financial liabilities - at the fair value of the amount obtained or the value of other assets received. Transaction costs incurred by the entity shall be taken into account in determining fair value at that date.

Financial assets shall be measured no later than at the end of the reporting period, at a reliably determined fair value without deducting the transaction costs that the Company would incur by disposing of those assets or excluding them from the accounts for other reasons, unless the amount of those costs would be significant.

The above valuation does not apply to:

1. Financial assets held to maturity,
 2. Financial assets for which there is no market price determined in active regulated trading or whose fair value cannot be determined in any other reliable way
- those assets shall be valued as follows:

Ad. 1. Financial assets held until maturity – these are financial assets with specified or determinable payments and a fixed maturity date that the company intends and is able to hold until then. Financial assets held to maturity shall be measured at the adjusted cost using the effective interest method,

Ad. 2. Financial assets for which there is no fixed maturity at the cost.

The effects of periodic valuation of financial assets, including derivatives, and financial liabilities classified as held for trading are included in the financial income or expenses of the reporting period in which the revaluation took place, respectively.

The effects of revaluation of financial assets classified as available for sale and measured at fair value are reported from the date of their acquisition or creation until the date of their exclusion from the accounting books and relate to the revaluation reserve (fund).

The effects of revaluation of financial assets and liabilities measured at the adjusted cost, i.e. discount or premium write-downs, as well as other differences determined at the date of their exclusion from the accounts, are included in the financial income or expenses of the reporting period in which the revaluation took place, respectively.

Cash, cash equivalents

Cash in the bank, cash on hand and short-term deposits held until maturity are valued at nominal value.

Accruals

The Company makes active accruals of expenses if they relate to future reporting periods. Accruals are made in the amount of probable liabilities for the current reporting period.

Accruals of expenses are made in the amount of probable liabilities attributable to the current reporting period, resulting in particular:

- from services rendered to the entity by the entity's counterparties when the amount of the liability can be estimated reliably,
- from the obligation to perform, related to the current activity, future benefits to unknown persons, the amount of which can be estimated even though the date on which the liability arose is not yet known.

The time and method of settling accruals is justified by the nature of the costs accounted for, while respecting the principle of prudence.

Capital

The share capital is recognised in the amount specified in the statutes and entered in the court register. Differences between the fair value of the consideration received and the nominal value of the shares are recognised in the reserve capital from the sale of shares above their nominal value. The costs of issuing shares incurred when the company is established or the share capital is increased reduce the company's reserve capital to the amount of the excess of the issue value over the nominal value of the shares, and the remaining part of them is included in the financial costs.

Reserves

Provisions are recognised when the Company has an existing obligation (legal or customary) arising from past events and when it is certain or highly probable that compliance with this obligation will result in the outflow of measures embodying economic benefits, and when a reliable estimate of the amount of this liability can be made.

Deferred income tax

The income tax provision is created using the balance sheet liabilities method in relation to all temporary differences occurring at the balance sheet date between the tax base of assets and liabilities and their carrying amount shown in the financial statements. Due to temporary differences between the value of assets and liabilities reported in the accounts and their tax base and the tax loss deductible in the future, a provision is created and deferred tax assets are determined.

Deferred tax assets are determined at the amount to be deducted from income tax in the future in relation to deductible temporary differences that will result in a future reduction in the basis for calculating income tax and the deductible tax loss determined taking into account the prudential principle.

A deferred tax liability is recognised in the amount of income tax that requires payment in the future due to the occurrence of taxable temporary differences, i.e. differences that will increase the basis for calculating income tax in the future.

The amount of deferred tax liability and assets is determined taking into account the income tax rates in force in the year in which the tax obligation arises.

The difference between deferred tax liabilities and assets at the end and beginning of the reporting period affects profit or loss, while deferred tax liabilities and assets relating to operations accounted for with equity are also applied to equity.

Liabilities

Liabilities are measured at the balance sheet date at the amount to be paid, except for liabilities which are contractually settled by spending financial assets other than cash or exchanging them for financial instruments that are measured at fair value.

If the maturity exceeds one year from the balance sheet date, the balances of those liabilities, with the exception of trade liabilities, shall be reported as long-term. The remaining parts of the balances shall be shown to be short-term.

Impairment of financial assets

At each balance sheet date, the Company assesses whether there is objective evidence of permanent impairment of an asset or group of assets. If such evidence exists, the Company determines the estimated recoverable value of the asset and makes an impairment loss equal to the difference between the recoverable amount and the carrying amount. Impairment loss is recognised in the income statement for the current period.

Revenue recognition

Revenues are recognized to the extent that it is likely that the Company will obtain economic benefits that can be reliably measured.

Interest

Interest income is recognised in proportion to the passage of time (recognition at the time of accrual) taking into account the amount of capital employed and the effective interest rate over the maturity period, provided that it is certain that the Company will realise the income.

Presentation of income and expenses from investing activities in the cash flow statement

Proceeds and expenses from investing activities are presented in the cash flow statement in investing activities.

Profit

The Financial Result of the Company for a given financial year includes all revenues generated and attributable to it and related costs in accordance with the principles of accruals, commensurability of revenues and expenses and prudent valuation. The net financial result consists of:

- a) Result of operating activities, including income and operating expenses,
- b) Result of financial operations,
- c) Mandatory charges on profit or loss for income tax of which the entity is a taxpayer.

Off-balance sheet records

The following shall be recorded in the off-balance-sheet records:

- contingent liabilities due to, for example, granted sureties, guarantees or endorsement of bills of exchange.
- foreign assets, fixed assets used on the basis of lease, lease or leasing agreements.

8. Statement of the Management Board

Management Board of BLACK PEARL S.A. declares that, to the best of its knowledge, financial information and comparable data have been prepared in accordance with the Issuer's regulations and that the quarterly report on its activities contains a true picture of the development, achievements and situation of the Company.

Arkadiusz Trela

President of the Management Board