



**ANNUAL REPORT
CARLSON INVESTMENTS SPÓŁKA AKCYJNA WITH ITS
REGISTERED OFFICE IN WARSAW
FOR THE FINANCIAL YEAR FROM 01.01.2019 TO 31.12.2019**

Warsaw, 31 July 2020

The document contains:

- Letter of the Management Board to Shareholders;
- Management Board's Representation;
- Selected financial data including basic items from the annual financial statements (converted into euro);
- Financial statement of CARLSON INVESTMENTS S.A.;
- Management's Report of CARLSON INVESTMENTS S.A.'s operations;
- Report on audit of annual financial statements;
- Report on Corporate Governance Principles applied by the Company;
- Selected financial data of the Issuer's unconsolidated subsidiaries.

Warsaw, 31 July 2020

Dear Shareholders and Investors,

On behalf of CARLSON INVESTMENTS Spółka Akcyjna, I hereby present to you the Company's Annual Report 2019 that contains the Company's data along with the opinion of a chartered auditor. It consists of the presentation and summary of key events that took place in 2019.

As an introduction to this Management Report and Financial Statement, let me highlight that it is the Management Board's priority to ensure that the Company is financially stable, grows and develops.

In 2019, the Management Board took a number of actions to improve financial standing by issuing M and N series shares, which decreased the accumulated loss from PLN 12,515 thousand to PLN 5,211 thousand, and as a result the Company's own capital was rebuilt. Following our actions, the Company was removed from the Alert list of the NewConnect market of the Warsaw Stock Exchange. Moreover, in 2019 the company changed the nature of its business operations and moved from manufacturing to investments in business undertakings in the area of technology related to product and process innovation in the FinTech, MedTech and CleanTech industries. In 2019, we actively engaged in developing new strategy for the company which is now being implemented, but its progress is slightly delayed due to the Covid-19 pandemic. We also started the consolidation of Carlson group companies, which is further described herein.

In the years to come, the Company is planning to focus on building strong capital group by further consolidations of related entities. In Q3 2020, we are planning to complete the issue of series "O" shares, as well as continue working on the next issue of "P" series shares. Such actions are aimed to improve the Company's financial standing and acquire funds for further consolidation of the group. In Q2 2020, we initiated actions to incorporate own alternative investment company which will allow us to commence investment operations in accordance with the announced change of the nature of our business. The Company's main investment focus will be start-ups in the field of highly innovative technologies and artificial intelligence.

In the name of the Company and myself, I would like to thank the Shareholders, the Members of the Supervisory Board, and our Partners for their confidence and support. I would like to personally assure you that we will continue our efforts to facilitate further development of the Company.

Prezes Zarządu /CEO

Aleksander Gruszczyński

Warsaw, 31 July 2020

**MANAGEMENT BOARD REPRESENTATION
ON THE FINANCIAL STATEMENT OF THE COMPANY UNDER THE BUSINESS NAME OF
CARLSON INVESTMENTS SPÓŁKA AKCYJNA
WITH ITS REGISTERED OFFICE IN WARSAW
FOR 2019**

The Management Board of the company operating under business name CARLSON INVESTMENTS Spółka Akcyjna with its registered office in Warsaw hereby represents that to the best of its knowledge, the financial statements of CARLSON INVESTMENTS Spółka Akcyjna for financial year 2019 and the comparable data have been drafted in accordance with the applicable and accepted accounting principles and truly, credibly, and transparently reflect the financial standing and assets of CARLSON INVESTMENTS S.A. and its financial result. Moreover, the Management Board represents that the Management's report presents a true reflection of the issuer's situation, including description of basic threats and risks.

Prezes Zarządu /CEO

Aleksander Gruszczyński

Warsaw, 31 July 2020

**MANAGEMENT BOARD REPRESENTATION ON THE ENTITY AUTHORIZED
TO AUDIT FINANCIAL STATEMENTS OF THE COMPANY
UNDER THE BUSINESS NAME OF CARLSON INVESTMENTS SPÓŁKA AKCYJNA
WITH ITS REGISTERED OFFICE IN WARSAW
FOR 2019**

The Management Board of CARLSON INVESTMENTS Spółka Akcyjna with its registered office in Warsaw represents that to the best of its knowledge, the entity entitled to audit the financial statements 2019, i.e. "Eureka Auditing Sp. z o.o." with its registered office in Poznań, entered on the list of auditing companies kept by PANA under no. 137, was selected in accordance with regulations and both the entity and the chartered auditor who audits the statements have met the conditions for drafting an impartial and independent audit report concerning annual financial statements, in line with the applicable provisions, professional standards and business ethics rules.

Prezes Zarządu /CEO

Aleksander Gruszczyński

**SELECTED FINANCIAL DATA OF CARLSON INVESTMENTS S.A. INCLUDING BASIC ITEMS FROM
THE ANNUAL FINANCIAL STATEMENTS, WITH THOSE CONVERTED INTO EURO.**

CARLSON INVESTMENTS S.A.		period			
		from 01.01.2018	from 01.01.2019	from 01.01.2018	from 01.01.2019
		to 31.12.2018	to 31.12.2019	to 31.12.2018	to 31.12.2019
No.	SELECTED FINANCIAL STATEMENTS	in PLN thousand	in PLN thousand	in EUR thousand*	in EUR thousand*
1.	Depreciation and amortization	186.92	126.09	43.47	29.61
2.	Net revenues from sale and equivalent	226.90	429.16	52.77	100.78
3.	Profit (loss) from sales	-585.58	-352.12	-136.18	-82.69
4.	Operating profit (loss)	-279.81	709.16	-65.07	166.53
5.	Gross profit (loss)	-451.30	583.04	-104.95	136.91
6.	Net profit (loss)	-159.96	96.92	-37.20	22.76
7.	Non-current assets	1,751.56	7,375.98	407.34	1,732.06
8.	Current assets	795.60	907.52	185.02	213.11
9.	Inventories	56.15	447.72	13.06	105.14
10.	Long-term receivables	-	-	-	-
11.	Short-term receivables	730.33	454.53	169.84	106.73
12.	Cash and other financial assets	1.96	0.72	0.46	0.17
13.	Total Assets	2,547.16	8,283.51	592.36	1,945.17
14.	Equity	-780.29	7,079.62	-181.46	1,662.47
15.	Share capital	10,781.67	11,080.43	2,507.37	2,601.96
16.	Liabilities and reserves	3,327.46	1,203.89	773.82	282.70
17.	Non-current liabilities	-	-	-	-
18.	Short-term liabilities	2,290.56	580.94	532.69	135.42

*selected financial data were converted into € at the average exchange rate of the NBP as at the balance sheet date, 31.12.2019 €1 PLN

CARLSON INVESTMENTS S.A.

ul. Emilii Plater 49, 00-125 Warsaw

Introduction to the financial statements

1. Details of the Company

1. 1. Company name

Carlson Investments S.A.

1. 2. Company's registered office

ul. Emilii Plater 49,
00-125 Warsaw

1. 3. Registration in the National Court Register

Seat of the court:	District Court in Warsaw, 12th Business Division of the National Court Register
Date:	24.01.2003
Registration number:	0000148769

1. 4. Core business and duration of the Company

As per the Company's articles of association, the business activities of the Company shall be, among others:

- OPERATIONS OF TRUSTS, FUNDS AND SIMILAR FINANCIAL ENTITIES
- OTHER MONETARY INTERMEDIATION,
- OTHER FINANCIAL SERVICE ACTIVITIES, EXCEPT INSURANCE AND PENSION FUNDING NOT ELSEWHERE CLASSIFIED
- BUYING AND SELLING REAL ESTATE ON OWN ACCOUNT,
- RENTAL AND OPERATING OF OWN OR LEASED REAL ESTATE;
- REAL ESTATE AGENCIES
- MANAGEMENT OF REAL ESTATE ON A FEE OR CONTRACT BASIS,
- ACTIVITIES OF HEAD OFFICE AND HOLDING COMPANIES, EXCLUDING FINANCIAL HOLDING COMPANIES
- OTHER BUSINESS AND MANAGEMENT CONSULTANCY ACTIVITIES

The Company was established for an indefinite time.

1. 5. Financial year

The financial statements have been drafted for the period from 1 January 2019 to 31 December 2019

The comparative data cover the period from 1 January 2018 to 31 December 2018.

CARLSON INVESTMENTS S.A.

ul. Emilii Plater 49, 00-125 Warsaw

Introduction to the financial statements

1. 6 *Going concern assumption*

The financial statements have been prepared based on the assumption that the company will operate as a going concern in foreseeable future.

2. *Key accounting principles*

The financial statements was drafted with application of the below accounting principles.

2. 1 *Basis for preparation of the financial statements*

The financial statements have been drafted in accordance with policies applied by the entities operating in Poland, based on the accounting principles resulting from the Accounting Act of 29 September 1994 (Journal of Laws of 2019, item 351, as amended) and subsequent implementing provisions issued on the basis thereof.

2. 2 *Revenues and costs*

Revenues and costs are recognized with application of accruals principle, i.e. in the periods to which they apply, regardless of the date of receiving or making the payment.

Sales revenues

Revenues from sale of products, goods and materials is recognized in the profit and loss account when the Company has transferred on the buyer significant risk and benefits resulting from ownership right to products, goods and materials. Revenues from the sale of services with a period of implementation shorter than 6 months are recognized at the end of the service.

The Company keeps register of costs by type and drafts consolidated profit and loss account.

2. 3 *Intangible assets*

Intangible assets are valued in the books at acquisition price or cost borne for their manufacturing, less depreciation and impairment losses.

Intangible assets are redeemed using straight-line method with application of the following depreciation rates:

Material copyrights	20%
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CARLSON INVESTMENTS S.A.

ul. Emilii Plater 49, 00-125 Warsaw

Introduction to the financial statements

2. 4 *Tangible assets*

Tangible assets are valued in the books at acquisition price or cost borne for their manufacturing, including the effects of revaluation (remeasurement), less depreciation and impairment losses.

Acquisition price and production cost of tangible assets covers the total cost incurred by the entity during construction, installation, adaptation and improvement to the date of adopting for use, including also the cost of servicing debts incurred in order to finance them and related foreign exchange differences, less the relevant revenues.

The initial value that constitutes acquisition price and production cost of tangible asset is increased by its improvement costs that constitutes redevelopment, extension, modernization, or reconstruction that results in a fact that usable value of such asset following the improvement process exceeds the initial value of the asset upon the acquisition.

Fixed assets are amortized using straight-line method, at the rates provided in the relevant tax regulations. The amortization begins in the month following the month in which a given tangible asset was adopted for use.

2. 5 *Investments*

Investments include all assets acquired for economic gains that arise from increase in their value, generating income in a form of interests, dividends (share in profits) or other benefits, including also from commercial transaction, in particular financial assets and such properties and intangible assets that are no longer used by the entity, but have been acquired for economic gains.

2. 6 *Impairment of assets*

As at each balance sheet date, it is assessed if there exist any objective evidence to impairment of asset or a group of assets. If such evidence exists, an estimated, recoverable value of an asset is established and an impairment loss is made in the amount equal to the difference between recoverable value and balance sheet value. Less resulting from the impairment is recognized in the profit or loss account. If the effects of an previous revaluation of such assets have been recognized as revaluation reserve, the loss is decreased by the amount of such a reserve and the remaining portion of loss is recognized in the profit and loss account.

CARLSON INVESTMENTS S.A.

ul. Emilii Plater 49, 00-125 Warsaw

Introduction to the financial statements

2. 7 Receivables, claims, and liabilities

Receivables are recognized with the application of prudent valuation principle, at the amount of due payment. The receivables are remeasured taking into consideration the probability of their payment by making an impairment loss that is recognized as other operating costs or financial costs respectively - depending on the type of liability to which such an impairment loss refers.

Liabilities are recognized in the books at payable amount.

Receivables and liabilities expressed in foreign currencies are recognized as at the day of the relevant operation at average exchange rate of the National Bank of Poland published for a given currency as at the day preceding the operation.

As at the balance sheet date, the receivables and liabilities expressed in foreign currencies are measured at average exchange rate effective as at this day published for a given currency by the National Bank of Poland.

2. 8 Accruals

The Company settles deferred expenses if they are related with future reporting periods. Accrued expenses are settled at the amount of probable liabilities from the current reporting period.

2. 9 Provisions for liabilities

The provisions constitute liabilities whose maturity date or value is not certain.

2. 10 Income tax

Income tax recognized in the profit and loss account includes the current portion calculated in accordance with the tax regulations.

2. 11 Foreign exchange differences

Foreign exchange differences that result from valuation as at the balance sheet date of assets and liabilities expressed in foreign currencies, except for long-term investments, as well as the ones that arise due to payment of liabilities and receivables in foreign currencies, as well as during sales of currencies, are recognized as financial revenues or cost, or – in justified cases – as product manufacturing costs or goods purchase price, as well as purchase price and manufacturing cost of fixed assets, fixed assets under construction or intangible assets.

To measure balance sheet items expressed in foreign currencies the following foreign exchange rates were adopted (in PLN):

	31.12.2019 – 31.12.2018	
EUR	4.2585	4.3000

CARLSON INVESTMENTS S.A.
Balance sheet

	31.12.2019	31.12.2018
1 Assets	8,283,506.75	2,547,163.08
1.1 +Fixed assets	7,375,982.92	1,751,564.46
1.1.1 +Intangible assets	1,040,833.70	1,165,733.58
1.1.1.1 +Costs of completed development works	-	-
1.1.1.2 +Goodwill	-	-
1.1.1.3 +Other intangible assets	1,040,833.70	1,165,733.58
1.1.1.4 +Advance payments for intangible assets	-	-
1.1.2 +Fixed tangible assets	- 0.00	26,189.88
1.1.2.1 +Tangible assets	-	26,189.88
1.1.2.1.1 +land (including perpetual usufruct right)	-	-
1.1.2.1.2 +buildings, premises, rights to premises, and civil engineering	-	-
1.1.2.1.3 +technical equipment and machines	-	26,189.88
1.1.2.1.4 +vehicles	-	-
1.1.2.1.5 +other fixed assets	-	-
1.1.2.2 +Fixed assets under construction	-	-
1.1.2.3 +Advance payments for fixed assets under construction	-	-
1.1.3 +Long-term receivables	-	-
1.1.3.1 +From related entities	-	-
+From other entities in which the company has equity interest	-	-
1.1.3.2 +From related entities	-	-
1.1.4 +Long-term investments	6,211,936.22	-
1.1.4.1 +Property	-	-
1.1.4.2 +Intangible assets	-	-
1.1.4.3 +Long-term financial assets	6,211,936.22	-
1.1.4.3.1 + in related entities	6,211,936.22	-
1.1.4.3.1.1 +- shares or stock	6,211,936.22	-
1.1.4.3.1.2 +- other securities	-	-
1.1.4.3.1.3 +- granted loans	-	-
1.1.4.3.1.4 +- other long-term financial assets	-	-
+ in other entities in which the company has equity interest	-	-
1.1.4.3.2 +-shares or stocks	-	-
1.1.4.3.2.1 +- other securities	-	-
1.1.4.3.2.2 +-granted loans	-	-
1.1.4.3.2.3 +-other long-term financial assets	-	-
1.1.4.3.3 +in other entities	-	-
1.1.4.3.3.1 +-shares or stocks	-	-
1.1.4.3.3.2 +- other securities	-	-
1.1.4.3.3.3 +-granted loans	-	-
1.1.4.3.3.4 +-other long-term financial assets	-	-
1.1.4.4 +Other long-term investments	-	-
1.1.5 +Long-term prepayments	123,213.00	559,641.00
1.1.5.1 +Deferred tax assets	123,213.00	559,641.00
1.1.5.2 +Other prepayments	-	-
1.2 +Current assets	907,523.83	795,598.62
1.2.1 +Inventories	447,722.71	56,152.49
1.2.1.1 +Materials	-	-
1.2.1.2 +Semi-finished products and work in progress	-	-
1.2.1.3 +Ready products	-	-
1.2.1.4 +Goods	51,697.78	56,152.49
1.2.1.5 +Advance payments towards deliveries and services	396,024.93	-
1.2.2 +Short-term receivables	454,528.76	730,333.25
1.2.2.1 +Receivables from related parties	-	-
1.2.2.1.1 +from deliveries and services, with maturity period:	-	-
1.2.2.1.1.1 +-up to 12 months	-	-
1.2.2.1.1.2 +-over 12 months	-	-
1.2.2.1.2 +others	-	-
+Receivables from other entities in which the company has equity interest	-	-
1.2.2.2 +from deliveries and services, with maturity period:	-	-
1.2.2.2.1 +-up to 12 months	-	-
1.2.2.2.2 +-over 12 months	-	-
1.2.2.2.2 +others	-	-
1.2.2.3 +Receivables from other entities	454,528.76	730,333.25
1.2.2.3.1 +from deliveries and services, with maturity period:	435,739.20	725,398.30
1.2.2.3.1.1 +-up to 12 months	435,739.20	725,398.30
1.2.2.3.1.2 +-over 12 months	-	-
+from taxes, subsidies, customs, social and health insurance and other public law liabilities	18,789.56	4,932.43
1.2.2.3.3 +others	-	2.52
1.2.2.3.4 +receivables in litigation	-	-
1.2.3 +Short-term investments	717.82	1,959.40
1.2.3.1 +Short-term financial assets	717.82	1,959.40
1.2.3.1.1 +in related parties	-	-
1.2.3.1.1.1 +- shares or stock	-	-
1.2.3.1.1.2 +- other securities	-	-
1.2.3.1.1.3 +- granted loans	-	-
1.2.3.1.1.4 +- other long-term financial assets	-	-
1.2.3.1.2 +in other entities	-	-
1.2.3.1.2.1 +- shares or stock	-	-
1.2.3.1.2.2 +- other securities	-	-
1.2.3.1.2.3 +- granted loans	-	-
1.2.3.1.2.4 +- other long-term financial assets	-	-
1.2.3.1.3 +cash and other cash assets	717.82	1,959.40
1.2.3.1.3.1 +- cash in hand and at bank	717.82	1,959.40
1.2.3.1.3.2 +- other cash	-	-
1.2.3.1.3.3 +- other cash assets	-	-
1.2.3.2 +Other short-term investments	-	-
1.2.4 +Short-term prepayments and accruals	4,554.54	7,153.48
1.3 +Called up initial capital (fund)	-	-
1.4 +Own shares (stocks)	-	-

CARLSON INVESTMENTS S.A.
Balance sheet

		<u>31.12.2019</u>	<u>31.12.2018</u>
2 Liabilities		8,283,506.75	2,547,163.08
2.1 +equity (fund)		7,079,619.02	780,297.13
2.1.1	+Initial capital (fund)	11,080,432.00	10,781,666.61
2.1.2	+Supplementary capital (fund), including: + surplus of the share sale (issue) value over nominal value of shares	379,588.00	379,588.00
2.1.2.1	(stocks)		
2.1.3	+Changes in revaluation capital (fund)	-	
2.1.3.1	+ from the revaluation of the fair value		
2.1.4	+Other reserve capital (fund), including:	733,405.02	733,405.02
2.1.4.1	+ established in accordance with the Articles (Memorandum) of Association of the company	733,405.02	733,405.02
2.1.4.2	+ Own shares (stocks)		
2.1.5	+Previous year profit (loss)	- 5,210,722.16	- 12,514,992.70
2.1.6	+Net profit (loss)	96,916.16	- 159,964.06
2.1.7	+Write-offs from net profit during the financial year (negative value)	-	
2.2 +Liabilities and provisions for liabilities		1,203,887.73	3,327,460.21
2.2.1 +Provisions for liabilities		622,944.08	1,036,896.38
2.2.1.1	+Deferred tax liabilities	94,076.00	44,384.00
2.2.1.2	+Provisions for retirement benefits and alike	-	-
2.2.1.2.1	+ long-term		
2.2.1.2.2	+ short-term		
2.2.1.3	+Other provisions	528,868.08	992,512.38
2.2.1.3.1	+ long-term		
2.2.1.3.2	+ short-term	528,868.08	992,512.38
2.2.2 +Long-term liabilities		-	-
2.2.2.1	+To related entities		
2.2.2.2	+To other entities in which the company has equity interest		
2.2.2.3	+To related entities	-	-
2.2.2.3.1	+credits and loans		
2.2.2.3.2	+ due to issuance of debt instruments		
2.2.2.3.3	+other financial liabilities		
2.2.2.3.4	+bills of exchange payable		
2.2.2.3.5	+others		
2.2.3 +Short-term liabilities		580,943.65	2,290,563.83
2.2.3.1	+Liabilities owed to related parties	-	-
2.2.3.1.1	+from deliveries and services, with payment term:		
2.2.3.1.1.1	+ up to 12 months		
2.2.3.1.1.2	+ over 12 months		
2.2.3.1.2	+others		
2.2.3.2	+Liabilities to other entities in which the company has equity interest	-	-
2.2.3.2.1	+from deliveries and services, with payment term:		
2.2.3.2.1.1	+ up to 12 months		
2.2.3.2.1.2	+ over 12 months		
2.2.3.2.2	+others		
2.2.3.3	+Liabilities towards other entities	580,943.65	2,290,563.83
2.2.3.3.1	+credits and loans	60,210.33	2,186,891.26
2.2.3.3.2	+ due to issuance of debt instruments	-	
2.2.3.3.3	+other financial liabilities	-	
2.2.3.3.4	+from deliveries and services, with payment term:	121,013.14	94,805.51
2.2.3.3.4.1	+ up to 12 months	121,013.14	94,805.51
2.2.3.3.4.2	+ over 12 months		
2.2.3.3.5	+received advance payments towards deliveries and services	-	
2.2.3.3.6	+bills of exchange payable	-	
2.2.3.3.7	+from taxes, customs, social and health insurance, and other public law liabilities	30,627.61	2,659.27
2.2.3.3.8	+from remunerations	-	
2.2.3.3.9	+others	369,092.57	6,207.79
2.2.3.4	+Special funds	-	
2.2.4 +Accruals		-	-
2.2.4.1	+Negative goodwill		
2.2.4.2	+Other accruals	-	-
2.2.4.2.1	+ long-term		
2.2.4.2.2	+ short-term		

CARLSON INVESTMENTS S.A.
Profit and loss account

	2019.01.01 - 2019.12.31	2018.01.01 - 2018.12.31
1 Net revenues from sale and equivalent, including:	429,160.00	226,896.59
1.1 - from related entities		
1.2 +Net income from sale of products	429,160.00	226,896.59
1.3 +Change in stocks of products (increase – positive value, decrease – negative value)		
1.4 +Costs of work performed for its own purposes		
1.5 +Net income from sale of goods and materials		
2 Operating expenses	781,275.93	812,477.01
2.1 +Depreciation and amortization	126,089.85	186,917.20
2.2 +Consumption of materials and energy	21,160.65	-
		(22,535.08)
2.3 +External services	465,567.66	73,543.23
2.4 +Taxes and charges, including:	45,152.19	6,834.69
2.4.1 - excise tax	-	-
2.5 +Remuneration	3,400.00	238,860.00
2.6 +Social insurance and other charges, including:	-	14,873.40
2.6.1 - old age pension charges		
2.7 +Other expenses by type	119,905.58	241,028.16
2.8 +value of sold goods and materials	-	72,955.41
3 Profit (loss) on sales (A-B)	- 352,115.93	- 585,580.42
4 Other operating income	1,078,995.99	541,870.39
4.1 Profit on sale of non-financial fixed assets	26,923.99	
4.2 +Grants	-	
4.3 +Remeasurement of non-financial assets	-	
4.4 +other operating income	1,052,072.00	541,870.39
5 Other operating expenses	17,718.56	236,096.94
5.1 +Loss on sale of non-financial fixed assets		233,600.99
5.2 +Remeasurement of non-financial assets	-	2,495.95
5.3 +other operating expenses	17,718.56	
6 Operating profit (loss) (C+D+E)	709,161.50	- 279,806.97
7 Financial income	8,881.80	15,586.89
7.1 + Dividends and shares in profits, including:	-	
7.1.1 +from related entities:	-	
7.1.1.1 - in which the company has equity interest	-	
7.1.2 +from other entities, including:	-	
7.1.2.1 - in which the company has equity interest	-	
7.2 +Interest, including:	8,881.80	
7.2.1 - from related entities	-	
7.3 +Profit on sale of non-financial fixed assets, including:	-	
7.3.1 - in related entities	-	
7.4 +Remeasurement of financial fixed assets	-	
7.5 +other	-	15,586.89
8 Total borrowing costs	135,007.14	187,078.98
8.1 +Interest, including:	132,845.47	187,078.98
8.1.1 - to related entities	-	
8.2 +Loss on sale of financial fixed assets, including:	-	
8.2.1 - in related entities	-	
8.3 +Remeasurement of financial fixed assets	-	
8.4 +other	-2,161.67	
9 Gross profit (loss) (F+G+H)	583,036.16	- 451,299.06
10 Income tax	486,120.00	- 291,335.00
11 Other statutory reductions in profit (increases of loss)		
12 Net profit (loss) (I-J-K)	96,916.16	- 159,964.06

CARLSON INVESTMENTS S.A.
Statement of changes in equity

	2019.01.01 - 2019.12.31	2018.01.01 - 2018.12.31
1 Equity (fund) at the beginning of the period (OB)	- 780,297.13	- 485,682.81
1.1 +- changes in the adopted accounting principles (policy)		
1.2 +- errors adjustments		
2 Equity (fund) as at the beginning of the period (OB), after adjustments	- 780,297.13	- 485,682.81
2.1 +Share capital (fund) at the beginning of the period	10,781,666.61	10,781,666.61
2.1.1 +Changes in share capital (fund)	298,765.39	
2.1.1.1 +increases (due to)	7,763,000.00	
2.1.1.1.1 +- issue of shares (stocks)	7,763,000.00	
2.1.1.2 -decreases (due to)	7,464,234.61	
2.1.1.2.1 +- redemption of shares (stocks)	12.61	
2.1.2 +Share capital (fund) at the end of the period	11,080,432.00	10,781,666.61
2.2 +Supplementary capital (fund) at the beginning of the period	379,588.00	379,588.00
2.2.1 +Changes in supplementary capital (fund)		
2.2.1.1 +increases (due to)		
2.2.1.1.1 +- issue of shares above their par value		
2.2.1.1.2 +- profit distribution (statutory)		
2.2.1.1.3 +- profit distribution (above the statutory minimum value)		
2.2.1.2 -decreases (due to)		
2.2.1.2.1 +- loss coverage		
2.2.2 +Supplementary capital (fund) at the end of the period	379,588.00	379,588.00
2.3 +Revaluation capital (fund) at the beginning of the period – changes in the adopted accounting principles (policy)		
2.3.1 +Changes in revaluation capital (fund)		
2.3.1.1 +increases (due to)		
2.3.1.2 -decreases (due to)		
2.3.1.2.1 +- sale of fixed assets		
2.3.2 +Revaluation capital (fund) at the end of the period	-	-
2.4 +Other reserve capital (fund) at the beginning of the period	733,405.02	733,405.02
2.4.1 +Changes in other reserve capital (fund)		
2.4.1.1 +increases (due to)		
2.4.1.2 -decreases (due to)		
2.4.2 +Other reserve capital (fund) at the end of the period	733,405.02	733,405.02
2.5 +Retained profits (losses) at the beginning of the period	- 12,514,992.70	- 12,557,982.72
2.5.1 +Retained profits at the beginning of the period		
2.5.1.1 +- changes in the adopted accounting principles (policy)		
2.5.1.2 +- errors adjustments		
2.5.2 +Retained profits at the beginning of the period after adjustments		
2.5.2.1 +increases (due to)		
2.5.2.1.1 +- distribution of retained profit		
2.5.2.2 -decreases (due to)		
2.5.3 +Retained profits at the end of the period		
2.5.4 +Retained loss at the beginning of the period	- 12,514,992.70	- 12,557,982.72
2.5.4.1 +- changes in the adopted accounting principles (policy)		
2.5.4.2 +- errors adjustments		134,650.26
2.5.5 +Retained loss at the beginning of the period after adjustments	- 12,514,992.70	- 12,692,632.98
2.5.5.1 +increases (due to)	- 159,964.06	-
2.5.5.1.1 +- reclassification of retained loss to be covered		
2.5.5.2 -decreases (due to)	7,464,234.60	177,640.28
2.5.6 +Retained loss at the end of the period	- 5,210,722.16	- 12,514,992.70
2.5.7 +Retained profit (loss) at the end of the period	- 5,210,722.16	- 12,514,992.70
2.6 +Net result	96,916.16	- 159,964.06
2.6.1 +net profit	96,916.16	- 159,964.06
2.6.2 -net loss		
2.6.3 -write-offs from profit		
3 Equity (fund) at the end of the period (CB)	7,079,619.02	780,297.13
4 Equity (fund), including the proposed profit distribution (loss coverage)	7,079,619.02	780,297.13

CARLSON INVESTMENTS S.A.
Cash flow statement - indirect method

2019.01.01 - 2018.01.01 -
2019.12.31 2018.12.31

1 Cash flow from operating activities			
1.1	+Net profit (loss)	96,916.16	- 159,964.06
1.2	+Total adjustments	583,289.55	33,484.94
1.2.1	+Depreciation and amortization	126,089.85	186,917.20
1.2.2	+Foreign exchange gains (losses)	-	-
1.2.3	+Interest and shares in profits (dividends)	130,830.05	186,796.33
1.2.4	+Investment profit (loss)	-	-
1.2.5	+Change in provisions	- 413,952.30	154,698.32
1.2.6	+Change in inventories	- 391,570.22	- 13,446.75
1.2.7	+Change in receivables	275,804.49	- 373,177.10
1.2.8	+Change in short-term liabilities, except for loans and credits	417,060.74	16,333.38
1.2.9	+Change in accruals	439,026.94	- 337,415.32
1.2.10	+Other adjustments		212,778.88
1.3	+Net cash flows from operating activities (I+/-II)	680,205.71	- 126,479.12
2 Cash flows from investment activities			
2.1	+Inflows	25,000.00	-
2.1.1	+Sale of intangible and tangible assets	25,000.00	
2.1.2	+Sale of investments in real property and intangible assets		
2.1.3	+From financial assets, including:	-	-
2.1.3.1.	+ in related entities		
2.1.3.2.	+in other entities	-	-
2.1.3.2.	+ - sale of financial assets		
2.1.3.2.	+ - dividends and shares in profits		
2.1.3.2.	+ - repayment of long-term loans		
2.1.3.2.	+ - interest		
2.1.3.2.	+ - other financial inflows		
2.1.4	+Other investment inflows		
2.2	+Outflows	6,211,936.31	-
2.2.1	+Purchase of intangible and tangible assets		
2.2.2	+Investments in real property and intangible assets		
2.2.3	+Financial assets, including:	6,211,936.31	-
2.2.3.1.	+ in related entities	6,211,936.31	
2.2.3.2	+in other entities	-	-
2.2.3.2	+ - purchase of financial assets		
2.2.3.2	+ - granted long-term loans		
2.2.4	+Other investment outflows		
2.3	+Net cash flow from investment activities (I-II)	- 6,186,936.31	-
3 Cash flows from financial activities			
3.1	+Inflows	7,869,811.00	109,240.50
3.1.1	+Net inflows from issue of shares (stocks) and other capital instruments, as well as capital contributions	7,763,000.00	
3.1.2	+Credits and loans	106,811.00	109,240.50
3.1.3	+Issue of debt instruments		
3.1.4	+Other financial inflows		
3.2	+Outflows	2,364,321.98	36,542.50
3.2.1	+Acquisition of own shares (stocks)		
3.2.2	+Dividends and other payments to shareholders		
3.2.3	+Outflows under profit distribution other than payments to shareholders		
3.2.4	+Repayment of loans and credits	2,364,321.98	36,542.50
3.2.5	+Redemption of debt instruments		
3.2.6	+Financial liabilities		
3.2.7	+Payments under finance lease contracts		
3.2.8	+Interest		
3.2.9	+Other financial outflows		
3.3	+Net cash flows from financial activities (I-II)	5,505,489.02	72,698.00
4 Total net cash flows (A.III+/-B.III+/-C.III)		- 1,241.58	- 53,781.12
5 Balance sheet change in cash, including:		- 1,241.58	- 53,781.12
5.1	- change in cash due to foreign exchange differences		-
6 Cash at the beginning of the period		1,959.40	55,740.52
7 Cash at the end of the period (F+/-D), including:		717.82	1,959.40
7.1	- not fully disposable		

<u>Name</u>	Amount
<u>A. Profit / loss</u>	583,036.16
<u>B. Tax-exempt income</u>	239,840.54
<u>Reversal of</u> impairment loss of receivables of fixed assets	239,840.54
<u>C. Non-taxable revenues in the current year</u>	-
Non-realized exchange differences	
<u>Other</u>	
<u>C. Taxable revenues in the current year, recognized in previous years</u>	-
Invoiced revenues to be settled in the future periods	
<u>E. Non-tax deductible costs</u>	126,955.39
Depreciation of non-tax-deductible expenses	124,899.97
Other	2,055.42
<u>F. Expenses not recognized as deductible costs</u>	173,782.82
Wages and salaries	3,400.00
Interest	116,088.12
Social Security Institution (ZUS)	25,674.61
Foreign exchange differences	811.88
<u>Provisions/ impairment losses</u>	27,808.21
<u>G. Expenses recognized as deductible costs, not recognized in previous years</u>	233,069.56
Social Security Institution (ZUS)	1,965.27
Paid remuneration	225,404.29
<u>Realized</u> reserves	5,700.00
<u>H. Accumulated losses</u>	410,864.27
<u>I. Other changes in tax base</u>	-
<u>J. Income tax base</u>	0.00
<u>K. Income tax 15%</u>	-
<u>Tax paid</u>	-
<u>Payable tax resulting from CIT</u>	-
Advance payment for December paid after the due date	-
Amount payable to Tax Office	-

CARLSON INVESTMENTS S.A.
 ul. Emilii Plater 49, 00-125 Warsaw
 Supplementary information and

1. Intangible assets

Changes in intangible assets

	Costs of completed development works	License	Other intangible assets	Advance payments for intangible assets	Total
Gross value					
O.B. 01.01.2019	598,267.71	2,500,880.00	8,040.40	-	3,107,188.11
Increases	-	-	-	-	-
Decreases	-	-	-	-	-
C.B 31.12.2019	598,267.71	2,500,880.00	8,040.40	-	3,107,188.11
Depreciation					
O.B. 01.01.2019	598,267.71	1,335,146.35	8,040.40	-	1,941,454.46
Increases	-	124,899.95	-	-	124,899.95
Decreases	-	-	-	-	-
C.B 31.12.2019	598,267.71	1,460,046.30	8,040.40	-	2,066,354.41
Net value					
O.B. 01.01.2019	-	1,165,733.65	-	-	1,165,733.65
C.B 31.12.2019	-	1,040,833.70	-	-	1,040,833.70

2. Tangible assets

Change in fixed assets

	Lands, buildings and apartments	Technical equipment and machines	Other fixed Total
Gross value			
O.B. 01.01.2019	-	1,117,468.88	-
Increases	-	9980,909.53)	-
Decreases	-	-	-
C.B 31.12.2019	-	136,559.35	-
	136,559.35		
Depreciation			
O.B. 01.01.2019	-	878,706.54	-
Increases	-	-	-
Decreases	-	(742,147.19)	-
C.B 31.12.2019	-	136,559.35-	-
Net value			
O.B. 01.01.2019	-	238,762.34	-
C.B 31.12.2019	-	(0.00)	(0.00)

3. Long-term investments

Shares and stock	<u>31.12.2019</u>	<u>31.12.2018</u>
Hotblok Polska Sp. z o.o.	5,000.00	-
POLVENT Sp. z o.o.	5,100,000.00	-
SUNDOWN Ltd	<u>1,106,936.22</u>	<u>-</u>
	<u>6,211,936.22</u>	<u>-</u>

Basic financial information about subsidiaries as at the balance sheet date

POLVENT Sp. z o.o. (100% shares)	<u>31.12.2019</u>
Non-current assets	67,500
Current assets	<u>263,579</u>
Total assets	<u>263.579</u>
Equity	116,445
Liabilities and provisions for liabilities	<u>214 634</u>
TOTAL LIABILITIES	<u>331 079</u>

SUNDOWN Ltd (99.95% shares)

As at the date of drafting these financial statements of the Company, the basic financial data of Sundown Ltd for the financial year ended on 31.12.2015 are unavailable. The Company's share capital amounts GBP 220,150 and is divided into 220,150 shares with nominal value GBP 1 each.

4. Inventories

In the current financial year, the Company made a write-down of inventories amounting to 4,454.71 and the value of inventories amounts to PLN 51,697.78.

5. Short-term receivables

5.1 Age analysis of short-term trade receivables from other entities

	<u>31.12.2019</u>	<u>31.12.2018</u>
<i>With maturity period:</i>		
Up to 12 months	435,739.20	740,398.30
Over 12 months	-	-
	<u>435,739.20</u>	<u>740,398.30</u>
Gross receivables	435,739.20	740,398.30
Increases during the financial year		-
Write-down of receivables in total	-	(15,000.00)
Net receivables	<u>435,739.20</u>	<u>725,398.30</u>

6. Short-term investments

Cash and other cash assets

	<u>31.12.2019</u>	<u>31.12.2018</u>
Cash in hand and at bank	717.82	1,959.40
	<u>717.82</u>	<u>1,959.40</u>

7. Short-term prepayments and accruals

	<u>31.12.2019</u>	<u>31.12.2018</u>
Patent renewal Software	660.00	575.00
license Trademark protection	110.72	332.16
	3,600.52	4,266.32
Other	183.30	-
	<u>4,554.54</u>	<u>5,173.48</u>

8. Equity

8.1 Share capital ownership structure

Shareholder series	Share	Number of shares/stocks	Nominal value of shares/stock	% share
Carlson Ventures International Limited		1,979,361	7,917,552.00	71.46%
Other investors		<u>790,747</u>	<u>3,162,880.00</u>	28.54%
Total		2,770,108	11,080,43	100.00%
		<u>2</u>		

8.2 Changes in equity structure

As at 31/12/2019, the Company's share capital amounts to PLN 11,080,432.00 and is divided into 2,770,108 shares, at the nominal value of PLN 4.00 each, which translates into 2,770,108 votes at the General Shareholders' Meeting. The following changes took place in 2019: 1) redemption of 97 shares of the total value of PLN 12.61, 2) increase of a share nominal value from z PLN 0.13 to PLN 13 and reverse split of shares 1:100, 3) decrease of a share nominal value from PLN 13 to PLN 4 to the capital value of PLN 3,317,434, 4) issue of M and N series share and increase of a share capital by PLN 7,763,000.

8.3 Proposed manner of profit distribution for the financial year

The Company's Management Board proposes to transfer the achieved net profit of PLN 96,916.16 to cover losses from previous years.

9. Provisions

9. 1 Other short-term provisions

	<i>Remuneration of the supervisory board</i>	<i>Remuneration of the management board</i>	<i>Audit</i>	<i>Other provisions</i>	<i>Total</i>
OB 01.01.2019	114,583.43	707,527.37	5,700.00	164,701.58	992,512.38
Increases	3,400.00		5,700.00		9,100.00
Use	(77,183.42)	(277,339.33)	5,700.00	(112,521.6)	(472,744.30)
Release			-		-
O.B. 31.12.2019	40,800.01	430,188.04	5,700.00		528,868.08
	52,180.03				

10. Short-term liabilities, pledge over the Company's assets

10. 1 Pledge over the Company's assets

The loans granted to the Company in the amount of PLN 60,210.33 were secured with a pledge over the patent owned by the Company.

10. 2 The short-term trade liabilities towards other entities in the amount of PLN 121,013.14 are payable within up to 12 months after the balance sheet date.

11. Structure of sales

	<u>01.01.2019 - 31.12.2019</u>	<u>01.01.2018 - 31.12.2018</u>
<i>Geographical structure</i>		
Sales of products and services		
Country	429,160.00	2,349.59
Export	-	-
	<u>429,160.00</u>	<u>2,349.59</u>
Sales of goods and materials		
Country		183,547.00
Export		41,000.00
	<u>-</u>	<u>224,547.00</u>

12. Interest expense
(including those from incurred financial liabilities)

from 1 January 2019 to 31 December 2019

Unrealized interest, with payment term

	<u>Realized interests</u>	<u>up to 3</u>	<u>of 3 to 12</u>	<u>Over 12</u>	<u>Total</u>
			<u>months</u>	<u>months</u>	
Other short-term financial liabilities		-	116,088.12	-	116,088.12
Other liabilities	16,757.35	-	-	-	16,757.35
Total	<u>16,757.35</u>	<u>-</u>	<u>116,088.12</u>	<u>-</u>	<u>132,845.47</u>

from 1 January 2018 to 31 December 2018

Unrealized interest, with payment term

	<u>Realized interest</u>	<u>up to 3 months</u>	<u>of 3 to 12 months</u>	<u>over 12 months</u>	<u>Total</u>
Other short-term financial liabilities		-	181,926.31	-	186,926.31
Other liabilities	5,000.00	-	-	-	5,000.00
Total	<u>5,152.67</u>	<u>-</u>	<u>181,926.31</u>	<u>-</u>	<u>187,078.98</u>

13. Corporate income tax

13. 1 Structure of corporate income tax

	<u>01.01.2019 - 31.12.2019</u>	<u>01.01.2018 - 31.12.2018</u>
Current income tax	-	-
Additional tax payable for the years		-
Changes in deferred income tax	<u>486,120.00</u>	<u>(291,335.00)</u>
	<u>486,120.00</u>	<u>(291,335.00)</u>

13. 1 Deferred income tax

	<u>31.12.2019</u>	<u>31.12.2018</u>
Negative temporary differences:		
· Unpaid interest	116,088.12	186,913.31
· Provisions	528,868.08	992,512.38
· Other	25,674.61	1,965.27
Total negative temporary differences	<u>670,630.81</u>	<u>1,181,390.96</u>
Tax losses to be used in future periods:	<u>698,401.07</u>	<u>1,764,085.54</u>
Gross deferred income tax assets	<u>123,213.00</u>	<u>559,641.00</u>
Net deferred income tax assets	<u>123,213.00</u>	<u>559,641.00</u>
Positive temporary differences:		
· Valuation allowances of fixed assets	1,040,833.70	212,572.5
· Impairment losses of warehouse value	4,454.71	21,028.5
Total positive temporary differences	<u>1,045,288.41</u>	<u>233,601.0</u>
Deferred tax liability	<u>94,076.00</u>	<u>44,384.00</u>
Deferred tax assets recognized in balance sheet	<u>123,213</u>	<u>559,641.00</u>
Deferred tax liability recognized in the balance sheet	<u>94,076.0</u>	<u>44,384.0</u>
Balance sheet change in net deferred tax liability/asset	<u>(486,120.00)</u>	<u>291,335.00</u>
Deferred tax recognized in reverses in the period	<u>-</u>	<u>-</u>
Change in deferred tax recognized in the profit and loss account	<u>(486,120.00)</u>	<u>291,335.00</u>

14. Events after the balance sheet date not recognized in the financial statements

Absent

15. Previous years' events included in the financial statements for the financial year

Absent

16. Employment

As at the balance sheet date, the Company has no employees.

17. Remunerations, loans and equivalent performances to the benefit of members of the Company's management and supervisory bodies

In the financial year, the remuneration of members of the Supervisory Board amounted to PLN 3,400.
In the financial year, the remuneration of members of the Management Board was not paid.

18. Transactions with related parties

Absent

19. Discontinued operations

Absent

20. Remuneration of the chartered auditor or the entity authorized to audit the financial statements

The remuneration of the entity authorized to audit the financial statements for the financial year amounted to net PLN 5,700, and was fully allocated towards the audit of the annual financial statements.

21. Severe threat to the going concern assumption

None

22. Other items listed in Appendix 1 to the Accounting Act do not apply to the Company or are not relevant to its operations.



**MANAGEMENT'S REPORT OF
CARLSON INVESTMENTS SPÓŁKA AKCYJNA
(former HOTBLOK S.A.)
from 01.01.2019 to 31.12.2019**

- 1. CHARACTERISTICS OF CARLSON INVESTMENTS S.A.**
 - 1.1. CONTACT DETAILS FOR THE COMPANY.
 - 1.2. BASIC INFORMATION ON THE COMPANY
 - 1.3. COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE COMPANY.
 - 1.4. INFORMATION OF SHAREHOLDERS THAT HOLD MORE THAN 5% OF THE COMPANY'S SHARE CAPITAL.
 - 1.5. MANNER OF REPRESENTATION.
 - 1.6. BUSINESS OPERATIONS.
- 2. COMPANY'S OPERATIONS IN 2019 FINANCIAL YEAR.**
 - 2.1. KEY CONTRACTS AND EVENTS IN 2019.
 - 2.2. ASSESSMENT OF FINANCIAL ASSETS MANAGEMENT.
 - 2.3. COMPANY'S STANDING.
 - 2.4. INFORMATION ON KEY PRODUCTS,
 - 2.5. DESCRIPTION OF THE INVESTMENT PROGRESS.
 - 2.6. ORGANIZATIONAL STRUCTURE AND EMPLOYMENT.
 - 2.7. THE MANAGEMENT BOARDS' COMMENT ON FACTORS AND EVENTS THAT AFFECTED THE ACHIEVED FINANCIAL RESULTS.
 - 2.8. ASSESSMENT OF FACTORS AND UNUSUAL EVENTS THAT AFFECTED THE 2019 FINANCIAL RESULTS
- 3. KEY EVENTS THAT TOOK PLACE AFTER THE END OF THE FINANCIAL YEAR AND TO THE DATE OF PUBLISHING THE 2019 REPORT**
- 4. RISK FACTORS RELATED TO THE CORE BUSINESS**
- 5. INFORMATION ON KEY ACHIEVEMENTS IN RESEARCH AND DEVELOPMENT.**
- 6. INFORMATION ON OWN SHARES.**
- 7. INFORMATION ON TOTAL AMOUNT OF REMUNERATION PAYABLE TO THE MANAGEMENT AND SUPERVISORY BOARDS.**
- 8. INFORMATION ON THE REMUNERATION OF AUTHORIZED ADVISOR.**
- 9. INFORMATION ON CHARTERED AUDITOR.**

1 CHARACTERISTICS OF HOTBLOK S.A.

1.1. CONTACT DETAILS FOR THE COMPANY.

Business name: CARLSON INVESTMENTS Spółka Akcyjna
Abbreviated name: CARLSON INVESTMENTS S.A.
Registered office: Warsaw
Company's Address: Ul. Emilii Plater 49
Address for deliveries: 00-125 Warsaw, ul. Emilii Plater 49 apt. 1106
Telephone: + 48 662 989 999
Email: office@carlsoninvestments.pl **Website** www.carlsoninvestments.pl
LEI code: 259400GI7JDV70AD7074
Tax ID (NIP): 634-24-63-031
REGON: 277556406
KRS: 0000148769

1.2. BASIC INFORMATION ON THE COMPANY.

The Company was incorporated with a memorandum of association on 28 December 2000 and entered into the Commercial Register B maintained by the Regional Court for Katowice, 8th Commercial and Register Division under number RHB 18852 on 29 December 2000. It was entered in the National Court Register on 24 January 2003 under KRS number 0000148769. The duration of the Company is unlimited.

1.3. COMPOSITION OF THE MANAGEMENT BOARD AND SUPERVISORY BOARD OF THE COMPANY.

MANAGEMENT BOARD:

Subject to § 15 Section 1 of the Statute, the Company's Management Board comprises of 1 to 3 persons. As at the day of drafting these financial statements, the Company's Management Board is composed of one person. CARLSON INVESTMENTS S.A. is represented by Aleksander Gruszczyński – President of the Management Board.

The following changes took place in the Management Board in 2019:

From early 2019 to 14.01.2019, the Company was represented by two persons, i.e. Piotr Tyranowski as the President of the Management Board (appointed to the Management Board on 31-05-2016) and Aleksander Gruszczyński as the Vice-President of the Management Board (appointed to the Management Board on 28 September 2019). At its session held on 14 January 2019, the Supervisory Board adopted resolution no. 1/2019 on dismissing Piotr Tyranowski from his position of the President of the Management Board and, subject to resolution no. 2/2019, appointed Aleksander Gruszczyński, the existing Vice-President of the Management Board, to that function. As of 14.01.2019, the Company is represented by one person, Aleksander Gruszczyński.

SUPERVISORY BOARD:

The Supervisory Board supervises the Company's operation, is composed of at least five members, appointed by the General Shareholders' Meeting for a joint term of office of three years. The Supervisory Board selects its Chairman and Vice-Chairman.

As at the date of the annual report, the composition of the Supervisory Board is as follows:

- | | | | |
|----|-------------------|---|--|
| 1. | Łukasz Marczuk | – | Chairman of the Supervisory Board |
| 2. | Paweł Szewczyk | – | Deputy Chairman of the Supervisory Board |
| 3. | Wojciech Przybyła | – | Member of the Supervisory Board |
| 4. | Grzegorz Kubica | – | Member of the Supervisory Board |
| 5. | Kinga Dębicka | – | Member of the Supervisory Board |

Changes in the Supervisory Board during 2019.

From 01-01-2019 to 27-06-2019, the composition of the Supervisory Board was as follows:

- | | | |
|----|--------------------|--|
| 1. | Artur Jędrzejewski | – Chairman of the Supervisory Board |
| 2. | Łukasz Marczuk | – Deputy Chairman of the Supervisory Board |
| 3. | Noemi Pietrowicz | – Member of the Supervisory Board. |
| 4. | Wojciech Przybyła | – Member of the Supervisory Board |
| 5. | Grzegorz Kubica | – Member of the Supervisory Board |

As a result of Noemi Pietrowicz's resignation from the function of a member of the Company's Supervisory Board as of the date of the General Shareholders' Meeting on 27 June 2019, pursuant to Article 385 § 1 of the Code of Commercial Companies and Partnerships, the Ordinary General Shareholders' Meeting appointed Kinga Dębicka and Paweł Szewczyk to be member of the Supervisory Board. From 27 June 2019 to 17 October 2019, the Supervisory Board was composed of seven members; on 17 October 2019, Artur Jędrzejewski, a member of the Supervisory Board that served simultaneously as the Chairman of the Supervisory Board, submitted his written resignation from membership in the Supervisory Board, effective as of the date of making the statement on resignation. Following the resignation of the existing Chairman of the Supervisory Board, there was a vacancy at the position of the Chairman. As a result, on the session held on 25-10-2019, the Supervisory Board selected Chairman and Vice-Chairman of the Board and appointed Łukasz Marczuk as a Chairman and Paweł Szewczyk as a Vice-Chairman of the Supervisory Board.

1.4 INFORMATION OF SHAREHOLDERS THAT HOLD MORE THAN 5% OF THE COMPANY'S SHARE CAPITAL.

As at the day of drafting these financial statements, the Issuer's share capital amounts to PLN 11,080,432.00 (in words: eleven million one hundred eighty six thousand four hundred thirty two and 0.100 zloty) and is divided into 2,770,108 shares, at the nominal value of PLN 4.00 each, which translates into 2,770,108 votes at the General Shareholders' Meeting.

To the best knowledge of the Management Board as at the date of drafting these financial statements, the shareholders holding at least 5% of the total number of votes at the General Shareholders Meeting are listed below:

Shareholder	Number of shares	Number of votes at GSM	Share in share capital (%)	Share in total number of votes (%)
Carlson Ventures International Limited	1,979,388	1,979,388	71.45%	71.45%
Other shareholders	790,720	790,720	28.55%	28.55%
Total	2,770,108	2,770,108	100%	100%

Additional notes:

Until 27 November 2019, several shareholders, i.e. (1) Mr. Artur Jędrzejewski, (2) Carlson Ventures International Limited and (3) Edminton International Investments Limited were parties to the agreement, referred to in Article 87 Section 1 Point of the Act on Public offering, concerning acquisition of the Issuer's shares in accordance with voting on the General Shareholders' Meeting and common policy towards the Company.

The agreement was concluded on 20 November 2018 and on 28 February 2019 it was amended. The shareholder entitled to fulfill information obligations related to the conclusion and implementation of the Shareholders' Agreement is Mr. Artur Jędrzejewski.

On 27 November 2019, Carlson Ventures International Limited reported the aforementioned Shareholders' Agreement. In connection with CVI Ltd becoming a shareholder, Members of the Shareholders' Agreement terminated it by mutual agreement as they concluded that continuation of the Agreement thus became redundant.

On 23 December 2019, shareholder Carlson Ventures International Limited with its registered office in Tortola notified the Issuer about exceeding the threshold of 50% in the total number of votes. Exceeding the threshold of 50% resulted from excising the agreement to subscribe for 1,219,941 of N series shares that took place outside of the trading system and after registration of the share capital increase due to the N series shares issue. Carlson Ventures International Limited holds a total of 1,979,388 shares of the Company in the share capital after the increase that constitutes 71.45% of the Company's share capital and entitle to 1,979,388 votes that constitutes 71.45% in the total number of votes in the Company.

1.5 MANNER OF REPRESENTATION.

As per Paragraph 17 Section 1 of the Company's Statute, the Management Board is comprised of several members, two members of the Management Board acting jointly or one members of the Management Board acting jointly with a proxy are authorized to make representations on behalf of the Company and sign documents.

1.6 BUSINESS OPERATIONS.

For a number of years, the Company had conducted its business in the field of production in the energy-efficient construction industry. Historically speaking, the dominant subject of the Company's business activity was manufacturing of prefabricated ex-clay concrete elements and polystyrene isolation for construction industry. The basic products offered by the Company were HOTBLOK blocks developed by the Issuer that along with oblong elements created an innovative system of energy-efficient single-layer walls with outstanding heat transfer coefficient $U = 0.15 \text{ W/m}^2 \cdot \text{K}$; at the time being, that coefficient remains to be greater than the existing technical and construction requirements that govern energy efficiency, effective by the end of 2020, i.e. $U=0.23 \text{ W/m}^2 \cdot \text{K}$. That will remain true also after planned introduction of higher requirements as of 01.01.2021 that will send the higher heat transfer coefficient standard at $U=0.20 \text{ W/m}^2 \cdot \text{K}$. Manufacturing of blocks was performed by a subcontractor, as per the Company's commission. Currently, the production and commercial operations were transferred to HOTBLOK Polska Sp. z o.o., a portfolio company incorporated by the Issuer, that does not conduct any operational activity, but in favorable business conditions may be used by the Issuer as an instrument to manufacture and trade energy-efficient single-layer walls technology, HOTBLOK. Moreover, the Issuer grants the license for using the Invention by the name of "Building Element" entered into the patent register by the Polish Patent Office under no. P.210627.

In 2019 the Company's shareholders decided to:

- change the capital structure of the Company (the capital was reduced to simplify the process of reverse split of shares, the shares were subject to a reverse split, nominal value of shares was reduced and new funding was acquired by issuing shares), and
- shift the Company's profile from the production to investment operations. Having analyzed assets held and market needs, the company directed its attention to investments into Companies or business undertakings in the area of technology characterized by product or process innovation.

As of 2019, the core subject of operations of the Company consists in investing on the private market in shares and stakes of companies with a technological profile, characterized by innovative products, services or other organizational solutions. The Company is especially interested in investing in projects pursued in FinTech, MedTech and CleanTech industries. The aim of the Company's operations is acquiring assets of various classes showing prospective growth of value of the portfolio.

The Company invests in domestic companies not listed on organized markets, which, as seen by the Company, show high potential for growth of value or may be merged with other entities, thus creating a possibility for significant rise of value of the shares or stocks being held through the effect of synergy.

In this area, the Company participates in works related to investment projects in entities operating in various industries. It allows to diversify current operations and limits one of the investment risks, that is, financial result fluctuation and dependence on economic situation in a single industry. The Company's strategy involves investing in financially stable entities operating in innovative technology industries which show high growth potential for the 3 to 5 years to come. CARLSON INVESTMENTS S.A. cooperates with a versatile and experienced investment team. Before an investment decision is made, the Company's management board researches finances and assets of the business entity in question and outsources such research to be conducted by external, independent entities if needed. Any resulting reports allow the Company's Management Board to take an investment decision that should mitigate the risk of appropriateness.

In case of projects where the Company itself initiated transformation aiming, among other things, to allow for introducing such entities to stock listings on the organized market, the Company is and intends to be an active investor. Such activity involves, first and foremost, areas related with ensuring that the Company has in place an investment portfolio of financial means for further development as well as support for any actions that help increase its recognition, significance and credibility.

In relation to the portfolio companies being owned, the Company seeks to make use of the potential effects of synergy resulting from potential collaboration on the operating level and, in some cases, as a result of completed mergers and take-overs on the capital level.

Currently, the Management Board is completing the establishment of an Alternative Investment Company (AIC) that will be used to perform capital investments in accordance with the new Company's strategy that is being developed.

2 COMPANY'S OPERATIONS IN 2019 FINANCIAL YEAR.

2.1 KEY CONTRACTS AND EVENTS IN 2019, Events in 2019

In 2019, shareholders of the Company decided to change the capital structure of the Company (the capital was reduced to simplify the process of reverse split of shares, the shares were subject to a reverse split, nominal value of shares was reduced and new funding was acquired by issuing shares) and to shift the Company's profile from the production to investment operations. Having analyzed assets held and market needs, the company directed its attention to investments into Companies or business undertakings in the area of technology characterized by product or process innovation.

- **21 February 2019** - a portfolio company of the Issuer, i.e. Hotblok Polska Sp. z o.o. was entered by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register into the National Court Register under KRS no. 0000767566.
- **6 March 2019** – at an Extraordinary General Shareholders' Meeting of the Company resolutions were adopted, among others in the following areas:
(1) reducing the share capital to adjust the rate of the Company's share capital to the parity of reverse split of shares, (2) reverse split of the Company's shares, (3) reducing the share capital by limiting the nominal value of shares in order to cover losses incurred by the Company, (4) changing the Company's Statutes with respect to the name (the name "HOTBLOK Spółka Akcyjna" was changed into "Carlson Investments Spółka Akcyjna").
- **13 March 2019** – termination of a subcontracting agreement for the production of the HOTBLOK blocks, i.e. Nowe technologie Budowlane SA with its registered office in Sadowe concluded on 24 May 2018 pursuant to which the HOTBLOK blocks were produced.
- **18 April 2019** - at an Extraordinary General Shareholders' Meeting of the Company Resolution no. 3 on increasing the Company's share capital by way of issuing M series Shares for private subscription and depriving the shareholders of their pre-emptive right, and on amendments to the Company's Statutes was adopted.
- **31 July 2019** - the Management Board of KDPW adopted resolution no. 548/2019 of 31 July 2019, pursuant to which the Management Board of KDPW S.A. following § 2(1) and (4) as well as § 85(2) item 1 of the Regulations of KDPW, after considering a motion of the Issuer decided, as of 8 August 2019, to exchange (reverse split) 79,435,800 of shares of CARLSON INVESTMENTS S.A. designated with the code PLHOTB000011 whose unit nominal value amounted to PLN 0.13 into 794,358 shares whose unit nominal value was PLN 13.00.

- **29 August 2019** - at the Extraordinary General Shareholders' Meeting of the Company resolution were adopted on increasing the Company's share capital by way of issuing ordinary N series bearer's shares for private subscription excluding the pre-emptive right of current shareholders and on amendments to the Company's Statutes.
- **5 September 2019** - the Management Board of KDPW adopted resolution no. 704/2019 of 5 September 2019, pursuant to which the Management Board of KDPW, having considered a motion by the Issuer, decided to exchange the Issuer's securities in connection with the change in their nominal value without changing the number of these securities. After the change, as of 9 September 2019, a unit nominal value of shares designated with code PLHOTB000011 amounted to PLN 4.00 (in words: four zloty).
- **7 November 2019** - the Issuer purchased 100% of shares in the following Company: POLVENT Sp. z o.o. with its registered office in Warsaw at ul. Złota 7 apt. 19, 00-019 Warsaw, registered in the Register of Entrepreneurs by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register under the KRS number: 0000163631. POLVENT Sp. z o.o. is a consulting company, with its major asset being 400 of shares constituting 86.77% in share capital of TECHVIGO Sp. z o.o. The remaining 61 shares in this company is owned by ALRO Investment Sp. z o.o. (KRS number 0000733169).
- **27 November 2019** - a controlling interest (99.95% of shares) was taken up in Sundawn Limited (Sundawn Ltd) operating at the following address: Berkeley Square House, Berkeley Square, Suite 3/Level 5, London W1J6BY Great Britain registered in Companies House under no. 07831091. The shares were acquired as a contractual set-off of liability related to an agreement for granting licence for the production of the HOTBLOK building element entered into by the Issuer and Sundawn Ltd in 2016. The fact that this agreement was concluded was reported by the Issuer in its current ESPI report no. 7/2016 published on 2 December 2016. The total price paid by the Issuer for the acquisition of shares amounted to PLN 1,105,680.
- **30 December 2019** - The Management Board concluded an agreement with VALU ENTERPRISES Limited with its registered office in Ajman Free Zone (hereinafter referred to as "Value ENTERPRISES") as a legal entity equivalent to the Polish limited liability company; Subject of the agreement is that the Issuer provides VALU ENTERPRISES with a license on using an Invention by the name of "Building Element" entered into the patent register by the Polish Patent Office under no. P.210627 granted to CARLSON INVESTMENTS S.A., by granting the right to produce patented Building Elements, granting the right to sell such Building Elements and granting the right to grant further sub-licenses for sale of Building Elements. The remuneration for the license amounts to EUR 100,000 in total.
As per the agreement, the remuneration was due to be paid within three month of signing the agreement, i.e. by the end of March 2020. However, due to the COVID-19 pandemic, the payment for license was not made on time and the vendor requested the payment date to be prolonged by six months and re-confirmed its interest in the project, and the Management Board agreed to that. As a result of this agreement, the Company continues to own the patent entered into the patent register by the Polish Patent Office under no. P.210627 and the right to grant sub-licenses for production and sale of the HOTBLOK Building Elements on domestic and international markets; to sum it up, it holds an unlimited right to use the patent.
- **18 December 2020** - the Extraordinary General Shareholders' Meeting of the Company was summoned to take place on 14 January 2020 to adopt a Resolution on increasing the Company's share capital by way of issuing O series Shares for private subscription and depriving the shareholders of their pre-emptive right, and on amendments to the Company's Statutes.

2.2 ASSESSMENT OF FINANCIAL ASSETS MANAGEMENT.

In 2019, as a result of acquisition of the new funds by way of issue of shares and short-term loans from shareholders, it was possible to settle the current obligations and maintain liquidity. In 2020 the company will continue to use external sources of funding in order to maintain financial liquidity and settle current obligations.

2.3 COMPANY'S STANDING.

The selected financial data from the financial statements for the financial year from 01.01.2019 to 31.12.2019 present the financial standing of CARLSON INVESTMENTS S.A.

CARLSON INVESTMENTS S.A.		period			
		from 01.01.2018	from 01.01.2019	from 01.01.2018	from 01.01.2019
		to 31.12.2018	to 31.12.2019	to 31.12.2018	to 31.12.2019
No.	SELECTED FINANCIAL STATEMENTS	in PLN thousand	in PLN thousand	in EUR thousand	in EUR thousand*
1.	Depreciation and amortization	186.92	126.09	43.47	29.61
2.	Net revenues from sale and equivalent	226.90	429.16	52.77	100.78
3.	Profit (loss) from sales	-585.58	-352.12	-136.18	-82.69
4.	Operating profit (loss)	-279.81	709.16	-65.07	166.53
5.	Gross profit (loss)	-451.30	583.04	-104.95	136.91
6.	Net profit (loss)	-159.96	96.92	-37.20	22.76
7.	Non-current assets	1,751.56	7,375.98	407.34	1,732.06
8.	Current assets	795.60	907.52	185.02	213.11
9.	Inventories	56.15	447.72	13.06	105.14
10.	Long-term receivables	-	-	-	-
11.	Short-term receivables	730.33	454.53	169.84	106.73
12.	Cash and other financial assets	1.96	0.72	0.46	0.17
13.	Total Assets	2,547.16	8,283.51	592.36	1,945.17
14.	Equity	-780.29	7,079.62	-181.46	1,662.47
15.	Share capital	10,781.67	11,080.43	2,507.37	2,601.96
16.	Liabilities and reserves	3,327.46	1,203.89	773.82	282.70
17.	Non-current liabilities	-	-	-	-
18.	Current liabilities	2,290.56	580.94	532.69	135.42

*selected financial data were converted into € at the average exchange rate of the NBP as at the balance sheet date, 31.12.2019 €1 PLN 4.2585, 31.12.2018 €1 - PLN 4.3000

2.4 INFORMATION ON KEY PRODUCTS.

In 2019, the Company changed the profile of its business from the manufacturing to investment operations, suspended its manufacturing operations related to using the license for production of energy-efficient single-layer HOTBLOK walls and sold its manufacturing fixed assets. The Company grants a license to use the Invention by the name of "Building Element" entered into the patent register by the Polish Patent Office under no. P.210627.

2.5 DESCRIPTION OF THE INVESTMENT PROGRESS.

In 2019, the Company purchased 100% of shares in the following Company: POLVENT Sp. z o.o. with its registered office in Warsaw at ul. Złota 7 apt. 19, 00-019 Warsaw, registered in the Register of Entrepreneurs by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register under the KRS number: 0000163631. POLVENT Sp. z o.o. is a consulting company, with its major asset being 400 of shares constituting 86.77% in share capital of TECHVIGO Sp. z o.o. (KRS number 0000331984). The remaining 61 shares in this company is owned by ALRO Investment Sp. z o.o. (KRS number 0000733169). The total price paid by the Issuer for the purchase of the shares amounted to PLN 5,100,000.00 (in words: five million one hundred thousand zloty).

TECHVIGO Sp. z o.o. is a technological company operating in its current form on the IT market for 10 years. Its area of expertise includes IT solutions for Cyber Security, Logistics, Tourism and many other industries. It is a manufacturer of programming tools made for corporate customers on both domestic and international markets. The company owns the largest map resources in Poland. Major standard product lines of Techvigo sp. z o.o. includes TourdeskCRM, a system for tourist agents, and map products of the Navigo product line.

On 27 November 2019, the Company took up a controlling interest (99.95% of shares) in Sundawn Limited (Sundawn Ltd) registered in the United Kingdom. The total price paid by the Issuer for the purchase of the shares amounted to PLN 1,105,680.

The shares were acquired as a contractual set-off of liability related to an agreement for granting license for the production of the HOTBLOK building element entered into by the Issuer and Sundawn Ltd in 2016.

Pursuant to the agreement CARLSON INVESTMENTS S.A. was to grant to Sundawn Limited a license to use an invention entitled "Building Element" entered into the patent register by the Polish Patent Office under no. P.210627 granted to CARLSON INVESTMENTS S.A., by granting the right to produce patented Building Elements, granting the right to sell such Building Elements and granting the right to grant further sub-licenses for the production and sale of Building Elements. The Agreement was concluded for the period of 10 years. The total remuneration for the license amounts to USD 1 million plus a commission for granting sub-licenses and a charge on the volume of HOTBLOK building elements sold by Sundawn. Notwithstanding the foregoing, the Company retained the licence for the production and sales of building elements under the HOTBLOK brand.

2.6 ORGANIZATIONAL STRUCTURE AND EMPLOYMENT.

As at the date of publication hereof, the Issuer does not have any employees, but concludes civil law agreements when required.

2.7 THE MANAGEMENT BOARDS' COMMENT ON FACTORS AND EVENTS THAT AFFECTED THE ACHIEVED FINANCIAL RESULTS.

The Company's operations in 2019 was focused mainly on restructuring its business and acquisition of funds by issue of new shares.

2.8 ASSESSMENT OF FACTORS AND UNUSUAL EVENTS THAT AFFECTED THE 2019 FINANCIAL RESULTS

In the period covered in these financial statements, there were no unusual circumstances or events that could affect the results of the business operations.

3 KEY EVENTS THAT TOOK PLACE AFTER THE END OF THE FINANCIAL YEAR AND TO THE DATE OF PUBLISHING THE 2019 REPORT

14 January 2019 - at an Extraordinary General Shareholders' Meeting of the Company a Resolution on increasing the Company's share capital by way of issuing O series Shares for private subscription and depriving the shareholders of their pre-emptive right, and on amendments to the Company's Statutes was adopted.

On 27 January 2019, the Issuer acquired 100% of the shares in the share capital of GAUDI MANAGEMENT S.A. with its registered office in Warsaw at: ul. Emilii Plater 49, 00-125 Warsaw, registered in the Register of Entrepreneurs by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register under the KRS number: 0000296454, REGON: 141194940, Tax Identification Number (NIP): 5252422312

The shares acquired by CARLSON INVESTMENTS S.A. constitute 100% of GAUDI MANAGEMENT S.A.'s share capital and represent 100% of votes at the Company's General Shareholders' Meeting. As per the Company's articles of association, all shares of the Company are not preference shares.

The Issuer acquired the shares at the total price of PLN 7,143,420.00 (in words: seven million one hundred forty three thousand four hundred twenty zloty). The purchase of the shares has been funded by means acquired through the issue of shares in O series. GAUDI MANAGMENT S.A. is a consulting and capital company, with its major asset being 2948 of shares in CARLSON CAPITAL PARTNERS Sp. z o.o. KRS 0000025669.

The Company continues its operations and pursues the concept to establish a strong capital group whose future goal - once the proper legal environment has been in place, for instance the AIC company has been incorporated - is to conduct general investment activity focused on innovative investments and technological start-ups.

4 RISK FACTORS RELATED TO THE CORE BUSINESS

The core subject of the Company's operations is an investment activity, i.e. acquisition of company's shares and stocks (mainly in the SME sector). The Company's main focus is on non-public companies with a technological profile, characterized by innovative products, services or other organizational solutions. The Company is especially interested in investing in projects pursued in FinTech, MedTech and CleanTech industries. The aim of the Company's operations is acquiring assets of various classes showing prospective growth of value of the portfolio.

The timing of a particular investment as well as an investment exit policy are contingent on the degree of the company's development. The Company's operations as an investment company results in a higher investment risk. That kind of risk means also a possibility to make incorrect investment decisions, failure to identify key factors to assess a relevant investment project or factors related with external events that could have significant effect on the result of the particular investment.

The Company does its best to limit that risk by a thorough analysis of business plans of enterprises in which it intends to invest, as well as is considering to invite individual and institutional investors to business cooperation. Financial partners are carefully selected as to their engagement in the project, considering their capital input, experience, and business relations that could be beneficial in the company's development.

Investment decisions are taken by the Company on the basis of analyses performed by the Company's experts who have relevant experience in financial markets transactions, which further limit that risk.

The Company cannot guarantee that the investments made by it will result in the achievement of assumed goals in terms of the value of held shares (stakes). Such circumstances may cause decreased effectiveness of individual investments and exert unfavorable impact on the Issuer's result. Acquiring shares or stocks which subsequently turn out to pose difficulties in terms of sales at a satisfactory return rate can considerably impact the Company's liquidity. The Company takes steps to mitigate the afore-mentioned risks by using and consistently improving procedure regarding the evaluation of attractiveness of individual investments.

Events leading a reduced value of acquired shares or stakes or to an unfavorable course of operations of specific companies may lead to considerable losses on individual investments. Such occurrences may lead to decreased revenues and profit and lower value of the Company's assets, hence deteriorating the economic standing of the Company.

5 INFORMATION ON KEY ACHIEVEMENTS IN RESEARCH AND DEVELOPMENT.

In 2019, CARLSON INVESTMENTS S.A. did not conduct and research and development activities.

6 INFORMATION ON OWN SHARES.

In 2019, the Company does not hold or has purchased its own shares.

7 INFORMATION ON TOTAL AMOUNT OF REMUNERATION PAYABLE TO THE MANAGEMENT AND SUPERVISORY BOARDS.

The existing Management Board does not receive remuneration.

In 2019, the Company paid outstanding remuneration to the former member of the Management Board amounting to **PLN 277,339.33**

The total value of payable remuneration of persons supervising the Issuer in 2019 amounted to **PLN 3,400.00** gross.

8 INFORMATION ON THE REMUNERATION OF AUTHORIZED ADVISOR.

In 2019, the Issuer did not concluded an agreement with the Authorized Advisor.

9 INFORMATION ON CHARTERED AUDITOR.

Certified auditor	Date of conclusion of the agreement	Scope of the agreement	Remuneration
"Eureka Auditing Sp. z o.o." with its registered office in Poznań, entered on the list of auditing companies kept by PANA (Polish Agency for Audit Oversight) under the number 137	30-06-2020.	Audit of the 2019 financial statements	8 PLN thousand + VAT

Warsaw, 24 July 2020

Prezes Zarządu /CEO

Aleksander Gruszczyński

Carlson Investments S.A.
ul. Emilii Plater 49, 00-125 Warsaw

REPORT OF INDEPENDENT STATUTORY AUDITOR
ON AUDIT OF ANNUAL FINANCIAL STATEMENTS FOR 2019

Drafted by:

Bogdan Zegar
Certified auditor



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AUDIT REPORT OF INDEPENDENT STATUTORY AUDITOR

For the Shareholders' Meeting and Supervisory Board of Carlson Investments S.A.

Report on the audit of annual financial statements

Opinion

We have audited the annual financial statements of Carlson Investments S.A. ("Company") consisting of an introduction to the financial statements, the balance sheet as at 31 December 2019, and the profit and loss account, statement of changes in equity, cash flow statement from the financial year from 1 January to 31 December 2019 and additional notes and explanations ("financial statements").

In our opinion the annual financial statements attached:

- present a true and fair view of the property and financial situation of the Company as at 31 December 2019 and its financial result and cash flow for the financial year ended on that day under the applicable provisions of the accounting act dated 29 September 1994 ("Accounting Act" - i.e. Journal of Laws of 2019, item 351) and adopted accounting rules (policy);
- are compliant in terms of form and content with the legal provisions and articles of the association/ statutes applicable to the Company;
- has been drafted base on duly maintained accounting books pursuant to the provisions of Chapter 2 of the Accounting Act.

Basis of the opinion

The audit was performed in accordance with the National Financial Reporting Standards in the wording of the International Financial Reporting Standards adopted by the resolution of the National Chamber of Statutory Auditors no. 3430/52a/2019 dated 21 March 2019 on the national financial reporting standards, and other documents, as amended ("NFRS") and in accordance with the Act on chartered auditors, auditing companies and public oversight dated 11 May 2007 ("Act on chartered auditors" – i.e. Journal of Laws of 2019, item 1421, as amended). Our liability in line with these standards have been described in the further part of our report entitled Responsibility of statutory auditor for financial reporting.

We are independent of the Company in line with the Code of ethics of chartered auditors of the International Federation of Accountants ("IFAC Code") adopted by the Polish Chamber of Statutory Auditors in the resolution no. 3431/52a/2019 dated 25 March 2019 on professional ethics of chartered auditors and other ethical requirements which apply to the auditing of financial statements in Poland. We have met the ethical obligations arising out of these requirements and the IFAC Code. During the audit, the key statutory auditor and the audit company remained independent of the Company according to the impartiality requirements contained in the act on chartered auditors.

We believe that the results of the reporting that we have obtained are satisfactory and appropriate to serve as the basis for our opinion.

Explanations and remarks

After auditing the financial statements, we would like to highlight that the value of disclosed equity amounted to PLN 7,078 thousand and what follows it fails to meet the capital requirement set at PLN 7,388 thousand, that results from Article 397 of the Code of Commercial Companies and Partnerships that reads as follows: "...if the balance sheet drafted by the Management Board discloses a loss that exceeds the sum of supplementary and reserve capitals and one third of the share capital, the Management Board is obliged to immediately summon general shareholders' meeting to adopt a resolution on the continuity of the Company."

We established that a failure to meet that requirement was disclosed on 31 December 2019.

In point 3 of its report on company's operations, i.e. the section that presents key events that took place after the date of the financial statements to the date of closing the audit, the Management Board noted that:

- On 14 January 2020, at the Extraordinary General Shareholders' Meeting of Joint Stock Company, the Resolution was adopted that was included in the Notarial Deed roll of deeds A 97/2020, drafted by Piotr Pełczyński, a notary public in Warsaw, regarding an increase in the Company's Share capital by the issue of O series shares by the maximum amount of PLN 10,000 thousand (2,500,000 shares at PLN 4.00 each).

Therefore, an incorrectness that resulted from a failure to meet the requirements under Article 397 of the Code of Commercial Companies and Partnerships was amended.

- On 27 January 2020, the Company acquired 100% of shares in the share capital of GAUDI MANAGEMENT S.A. operating at the address: ul. Emili Plater 49 in Warsaw. The transaction was performed as a part of the issue of O series shares by Carlson Investments S.A.

The issue of O series shares and purchase of GAUDI MANAGEMENT S.A. are pending the registration with the court and have not been completed to the date of closing the audit.

Key matters subject to audit

Key matters subject to audit are those that in our professional opinion were the most significant in the course of the audit for the current financial year. They include the most relevant risk factors that could cause significant distortion, including the assessed risks of significant distortion resulting from a fraud. We have approached such matters in our financial reporting in a general manner and summarized our reaction to such risks, and where we found necessary, we have resented our key remarks related to the particular type of risk. We do not make a separate comments on such matters.

Key matter subject to audit	How we approach the matter in the audit
<p>1. Long-term investments - shares held</p> <p>As at 31 December 2019, the disclosed value of shares in related parties as a long-term financial assets amounted to PLN 6,212 thousand. Our identification of the risk related to the above matter was performed by assessment of the value of shares recognized in the financial statements. During our audit, we have established that purchase of the shares in three company was completed in November and December 2019, i.e. it is not justified to report depreciation of their value, if any. That should be performed on 31 December 2020.</p> <p>We have deemed the matter relevant due to the significant share in the value of assets that amount to PLN 8,284 thousand.</p>	<p>The applied reporting procedures included:</p> <ul style="list-style-type: none"> - analysis of (annual) financial statements of companies related by shares, - learning about the goals and strategy of the Company's Management Board towards the companies related by shares, - learning from the Management Board about the strategy for managing the Capital group. <p>As a result of applying the reporting procedures, we have acknowledged and shared the Management Board's views regarding the pursued strategy of the Management Board.</p>
<p>2. Real valuation of current assets in relation to secure due liabilities</p> <p>In its financial statements, the Company disclosed the current assets value at PLN 908 thousand. We have deemed these liabilities to be realistically represented. To confirm the level of the due liabilities, we have analyzed the payable amount</p>	<p>The applied reporting procedures included:</p> <ul style="list-style-type: none"> - analysis of account records related to the disclosed liabilities and receivables, - drafting an analysis of the dates on which liabilities and receivables were due, - establishing the level of due liabilities,

<p>that amounted to PLN 343 thousand. It needs to be noted that the payment of the above liabilities is fully secured.</p>	<p>As a result of applying the reporting procedures, we have deemed the provided values to be correct.</p>
<p>3. Equity</p> <p>Equity amounted to PLN 7.080 thousand as at 31 December 2019. The Company's registered share capital amounts to PLN 11,080 thousand.</p> <p>The above amount of share capital was established by means of issue of M and N series shares, as well by reverse split of shares.</p> <p>Issues of shares have allowed to decrease the accumulated loss from PLN 12,515 thousand to PLN 5,211 thousand, and as a result the Company's own capital was rebuilt to the level that satisfied the requirements provided in Article 397 of KSH.</p>	<p>The applied reporting procedures included:</p> <ul style="list-style-type: none"> - assessment of presented levels of own capital, - examining the documents on new issues of shares and reverse split procedure.

Other matter

The financial statements of the Company for the year ended on 31 December 2018 was audited by the chartered auditor acting on behalf of our company who qualified his opinion on 29 May 2019.

Responsibility of the Management Board and the Supervisory Board for the financial statements

Member of the Management Board and the Supervisory Board are responsible for drafting, on the basis of duly kept accounting books, financial statements that present a credible and transparent view of the Company's assets, financial standing and financial result in accordance with the provisions of the Accounting Act, adopted accounting rules (policy) and the legal regulations and agreement applicable to the Company, as well as for internal supervision which the Management Board deems required to be able to draft financial statements free from material distortion caused by a fraud or mistake.

When drafting the financial statements, the Management Board is responsible for assessment of the Company's ability to continue its operations, disclosing - where applicable - issues related with business continuity, and for adopting the going concern rule as a basis for accounting, except from the situation where the Management Board either intends to liquidate the Company or discontinue its business operations, or there is no actual alternative solution to liquidation or discontinuance of the Company.

The Management Board and the members of the Supervisory Board of the Company are responsible for ensuring that the financial statements are compliant with the requirements provided for in the Accounting Act.

Responsibility of statutory auditor for financial reporting

Our goal is to achieve rational level of certainty that the financial statements as a whole do not contain any material distortion caused by a fraud or mistake and present the audit report with our opinion. A rational level of certainty means high probability, but does not guarantee that the audit performed in line with the NFRS will always disclose all material distortions. Distortions may be caused by a fraud or mistake and are deemed material if it can be rationally expected that they could individually or jointly affect commercial decisions of users made on the basis on such financial statements.

The scope of the audit does not cover any assurances with regard to the future profitability of the Company and the effectiveness or efficiency of the manner the Management Board conducts the affairs of the unit currently or in the future.

During the audit performed in accordance with the NFRS, we use our professional expertise and reserve, as well as:

- identify and assess the risk of significant distortion of the financial statements resulted from a fraud or mistake, we develop and apply reporting procedures for particular risks and obtain the results of the reporting that are satisfactory and appropriate to serve as the basis for our opinion. A risk of a failure to disclose a material distortion resulting from a fraud is greater than the one resulting from a mistake, because a fraud can be collusion, forgery, deliberate omissions, misleading or circumvention of internal supervision;
- we learn about the internal supervision applicable in the case of developing auditing procedures which are appropriate in particular circumstances, and not in order to voice our opinion concerning the effectiveness of the Company's internal supervision mechanism;
- we assess the accuracy of applied accounting principles (policy) and accuracy of accounting estimates, as well as related disclosures made by the Company's Management Board;
- we draw conclusion concerning the Company's Management Board assumption on continuity of the operations as a basis for accounting and, on based on the audit results, we establish if there is any uncertainty resulting from events or conditions that could significantly undermine the Company's ability to continue its operations, If we conclude that there is material uncertainty, we are required to make a reference in the chartered auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, we amend our opinion. Our conclusions are based on the audit results obtained to the date of drafting our chartered auditor's report; however, future events or conditions may cause the Company to discontinue its operations;

- we assess general presentation, structure and contents of the financial statements, including the disclosures, and evaluate if the financial statements reflects the underlying transactions and events in a manner that allows for credible presentation.

We provide the Supervisory Board with information concerning, among others, the planned scope and dates of the audit and material audit results, including any and all weaknesses of internal supervision that we identify during the audit.

We submit to the Supervisory Board a representation that we have followed applicable ethical requirements concerning impartiality, and that we will notify the Board of any relations and other matters that could be rationally deemed to be a potential threat to our impartiality, and - where applicable - we will inform the Board of implemented security measures.

We have decided which matters presented to the Supervisory Board have been the most significant in the course of the financial statements audit for the current financial year and that we deemed to be key matters subject to audit. We describe such matters in our chartered auditor's report, unless the provisions of law or regulations prohibit their public disclosure or if - under special circumstances - we decide that a given issue should not be presented in our report, because it could be rationally expected that adverse consequences for the public interest would be greater than benefits.

Other information, including the report on operations

Other information include the report on the Company's operations for the year ended on 31 December 2019 ("Report on operations")

Responsibility of the Management Board and the Supervisory Board

The Management Board is responsible for the preparation of a report on company operations in compliance with legal provisions.

The Management Board and the members of the Supervisory Board of the Company are responsible for ensuring that the report on the Company's operations is compliant with the requirements provided for in the Accounting Act.

Responsibility of statutory auditor

Our opinion on the financial statements does not cover the Report on the operations. In the course of auditing the financial statements, we are obliged to examine the Report on operations and, as a result, analyze if the report is not materially inconsistent with the financial statements or information we gathered during the audit, or in any other manner significantly distorted. If as a result, we discover material distortions on the Report on operations, we are obliged to make a note of that fact in our audit report.

Our duty, according to the requirements of the act on statutory auditors, was to determine whether the report on operations was prepared in compliance with provisions and whether it is in compliance with the information contained in the financial statements.

Opinion on the report on operations

Based on the audit we have performed, we find that the report on operations:

- was drafted in accordance with Article 49 of the Accounting Act;
- is compliant with the information included in the financial statements.

Moreover, considering our knowledge of the Company and its surrounding acquired during the audit, we have not noticed any material distortions in the report on company operations.

The main chartered auditor responsible for this report of independent chartered auditor is Bogdan Zegar.

He acted in the name of Eureka Auditing Sp. z o.o. with its registered office in Poznań, al. Marcinkowskiego 22, 61-827 Poznań, entered into the list of auditing companies under no. 137 and audited the financial statements on behalf of the company.

Bogdan Zegar



Signed by:
Bogdan Stefan
Zegar
Date: 2020-07-24
20:23

Key Certified Auditor, identification number 5475

Conducting the audit on behalf of: Eureka Auditing Sp. z o.o.

Entity authorized to audit financial statements, identification number 137

President of the Management Board

Poznań, 24 July 2020



REPORT ON CORPORATE GOVERNANCE PRINCIPLES APPLIED BY THE COMPANY

The document below provides information on the use by CARLSON INVESTMENTS S.A. of the corporate governance rules referred to in Appendix 1 to Resolution No. 795/2008 of Management Board of the Stock Exchange of 31 October 2008. "Good Practices of Companies listed on the NewConnect", amended by Resolution No. 293/2010 of 31 March 2010.

The Management Board of CARLSON INVESTMENTS S.A. informs that in 2019 the Company complied with the rules of "Good Practices of Companies listed on the NewConnect", with the exceptions described in this document.

The document was submitted in accordance with § 5(6) point 6.3. of Attachment No. 3 to the Alternative Trading System (ATS) Regulations.

1. The Company shall pursue a transparent and effective information policy, using both traditional methods and modern technologies, and the latest communication tools ensuring speed, security and wide and interactive access to information. The Company by using such methods to the fullest extent shall ensure effective communication with investors and analysts, as well as by using modern methods of Internet communication shall enable, for this purpose, broadcasting of the general meeting via the Internet, recording the course of the meeting and publishing it on the website.

YES

with exclusion of the broadcasting of the general meeting via the Internet, recording the course of the meeting and publishing it on the website.

Comment: The Company does not apply the above rule with regard to broadcasting the general meeting via the Internet, recording the course of the meeting and publishing it on the website. The Company publishes all relevant information on the general meeting in the form of current reports and publishes it on its website - therefore, shareholders who do not participate in the general meeting in person have the opportunity to get acquainted with the matters discussed at this general meeting.

The Management Board of the Company believes that the costs of applying the solutions to which the aforementioned exclusion relates would be disproportionate to the potential benefits of their application (currently the Company does not have the appropriate equipment that would enable the appropriate quality of the transmission, recording of the course of the meeting or publishing it on the Internet). Given the above, the Company is not planning to introduce the above-mentioned solutions in the near term.

2. The Company shall ensure effective access to information necessary to assess the company's standing and prospects and the way it operates.

YES

Comment: The Company provides investors with the data necessary to assess its condition by publishing it on its website and by publishing current and periodic reports.

3. The Company runs a corporate website and publishes on it: 3.1. basic information about the Company and its activities (home page),

YES

Comment: The Company's website is available at www.carlsoninvestments.pl and contains the information referred to in point 3.

3.2. description of the Issuer's activities with an indication of the type of activities from which the Issuer obtains the most revenue,

YES

Comment: This information is available on the Company's website.

3.3. description of the market on which the Issuer operates, including the issuer's position on that market,

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Issuer's Strategy and Market tab, provided that the issuer's position on the market is not specified.

3.4. CVs of members of the Company's governing bodies

YES

Comment: This information can be found on the Company's website in the Investor Relations section in the CVs tab

3.5. information obtained by the management board, on the basis of a declaration of a supervisory board member, about the connections of a supervisory board member with a shareholder holding shares representing not less than 5% of the total number of votes at the company's general meeting,

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Statements tab

3.6. corporate documents of the Company,

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Corporate Governance tab

3.7. an outline of the company's strategic plans,

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Strategy and Market tab. An update of the Company's strategy is currently being developed.

3.8. published forecasts of financial results for the current financial year, along with assumptions and corrections to these forecasts (if the issuer publishes such forecasts),

NOT APPLICABLE

Comment: The company does not publish financial forecasts due to the specific nature of the industry in which it operates and the influence of many factors on its financial results.

3.9. the Issuer's shareholding structure, indicating the main shareholders and free-float shares

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Shareholder structure tab.

3.10. data and contact details of the person responsible in the company for investor relations and contacts with the media,

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Contact for Investors tab

3.11 (deleted)

3.12 current and periodic reports

YES

Comment: The above information is available on the Company's website in the Investor Relations section in the tabs: EBI and ESPI reports, periodic reports

3.13. calendar of scheduled publication dates for periodic financial reports and general meetings' dates meetings, as well as meetings with investors and analysts, and press conferences,

YES

Comment: This information can be found on the Company's website in the Investor Relations section in the Calendar tab

3.14. information on corporate events such as dividend payments and others resulting in the acquisition or limitation of the rights of the shareholder, taking into account the deadlines and the rules for carrying out these operations. This information should be published within a timeframe enabling an

investment decision,

NOT APPLICABLE

Comment: The corporate events in question did not occur in the Company in 2019, therefore such information has not been published on the website

3.15 (deleted)

3.16. shareholders' questions on matters on the agenda, asked before and during the general meeting, along with answers to the questions asked,

NOT APPLICABLE

Comment: During the General Meetings held in 2019, none of the present shareholders asked any questions regarding the matters on the agenda, therefore no information in this regard was published. Should this event occur, the information will be published in the tab dedicated to the General Meeting.

3.17. information on the reasons for canceling the general meeting, changing the date or the order of the meeting with the justification,

YES

Comment: The corporate event in question took place three times in 2019. Information on the non-holding and cancellation of the Extraordinary General Meeting was posted on the Company's website in the Investor Relations section in the EBI Reports tab. The current report No. 5/2019 of 28 January 2019 had information about the non-attendance of the Extraordinary General Meeting convened for 28 January 2019 due to the absence of any of the persons listed in art. 409 §1 of the Code of Commercial Companies and §23 sec. 4 of the Company's Articles of Association. In the current report No. 10/2019 of 13 March 2019, the Issuer informed about the cancellation of the EGM convened on 4 April 2019 . The current report No. 16/2019 of 4 November 2019 had information on the non-holding of the EGM convened on 4 November 2019 in the absence of shareholders representing at least 1/3 of the share capital of the Company pursuant to Art. 431 § 3a of the Commercial Companies Code

3.18. information about breaks in the general meeting and the reasons for ordering the break,

YES

Comment: The corporate events in question did not occur in the Company in 2019, therefore such information was not published on the website

3.19. information on the entity with which the company has signed a contract for the provision of services An Authorized Adviser with the name, website address, telephone numbers and e-mail address of the Advisor,

NOT APPLICABLE

Comment: In 2019, the Company did not conclude an agreement with the Authorized Advisor.

3.20. Information on the entity that acts as the Issuer's share market maker,

YES

Comment: This information is available on the Company's website in the Investor Relations section in the Contact for Investors tab.

3.21. the company's information document (prospectus), published in the last 12 months,

NOT APPLICABLE

Comment: The company has not published any information document (prospectus) in the last 12 months.

3.22 (deleted).

Information on the website should be published in a way that allows easy access to it. The issuer should update the information published on the website. In the event of new, significant information or significant changes to the information published on the website, the update should be carried out immediately.

YES

Comment: The website is updated on regular basis.

4. The company runs a corporate website, at the choice of the issuer, in Polish or in English. Current and periodic reports should be published on the website at least in the same language in which they are published in accordance with the Issuer's regulations.

YES

Comment: The company runs a website in Polish, the start page and information on the business profile is also available in English, Russian and German.

5. The company should conduct an information policy with particular emphasis on needs of individual investors. For this purpose, the Company, apart from its corporate website, should use the investor relations section available on the website, individual for a given company www.GPWInfoStrefa.pl.

YES, except for www.GPWInfoStrefa.pl

Comment: Necessary data about the Issuer are published both on the website and portals in sections devoted to investor relations.

6. The issuer should maintain current contacts with representatives of the Authorized Adviser, in order to enable them to properly perform their duties towards the Issuer. The company should appoint a person responsible for contacts with the Authorized Adviser.

NOT APPLICABLE

Comment: In 2019, the Company did not conclude an agreement with the Authorized Adviser.

7. If an event occurs in the company which, in the opinion of the Issuer, is significant for the performance of the Authorized Advisor's duties, the Issuer shall immediately notify the Authorized Adviser of this fact.

NOT APPLICABLE

Comment: In 2019, the Company did not conclude an agreement with the Authorized Adviser.

8. The issuer should provide the Authorized Adviser with access to all documents and information necessary to perform the duties of an Authorized Adviser.

NOT APPLICABLE

Comment: In 2019, the Company did not conclude an agreement with the Authorized Adviser.

9. In the annual report, the issuer provides:

9.1. information on the total remuneration of all members of the Management Board and Supervisory Board,

YES

Comment: This information is included in the Management's Report on CARLSON INVESTMENTS S.A.'s operations for 2019.

9.2. information on the remuneration of the Authorized Adviser received from the Issuer for the provision of services to the Issuer in every respect.

NOT APPLICABLE

Comment: In 2019, the Company did not conclude an agreement with the Authorized Adviser.

10. Members of the Management Board and Supervisory Board should participate in the General Meeting in a composition enabling them to provide substantive answers to questions asked during the General Meeting.

YES

Comment: Each General Meeting of the Company is attended by the Management Board or representatives of the Supervisory Board of the Company.

-
11. At least twice a year, the Issuer, in cooperation with the Authorized Adviser, should organize a public meeting with investors, analysts and the media.

YES

Comment: The Issuer participates in individual meetings with Investors and Shareholders.

-
12. A 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 authorized body to set it before the day on which the pre-emptive right is established, within the time limit enabling the investment decision to be made.

YES

Comment: Such corporate event did not occur in the Company in the reporting period.

-
13. Resolutions of the general meeting should ensure that the necessary time interval is maintained between decisions causing specific corporate events and the dates on which shareholders' rights resulting from corporate events are established.

YES

Comment: The General Meeting of the Company each time adopts resolutions respecting the rights and information needs of Shareholders, ensuring that the necessary time intervals are maintained.

-
- 13a. If the issuer's management board receives information from a shareholder holding at least half of the share capital or at least half of the total votes in the company that he has convened an extraordinary general meeting in accordance with the procedure specified in Art. 399 § 3 of the Commercial Companies Code, the issuer's management board shall immediately perform the activities it is obliged to perform in connection with the organization and conduct of the general meeting. This rule also applies in the case of authorization by the registry court of shareholders to convene an extraordinary general meeting pursuant to Art. 400 § 3 of the Commercial Companies Code.

NOT APPLICABLE

Comment: The said corporate event did not occur in the Company in the reporting period.

-
14. The date of establishing the right to dividend and the date of dividend payment should be set in such a way that the time between them is as short as possible, and in each case not longer than 15 business days. Setting a longer period between these dates requires a detailed justification.

NOT APPLICABLE

Comment: Such corporate event did not occur in the Company in the reporting period.

-
15. A resolution of the general meeting on the payment of a conditional dividend may only contain such conditions, the possible fulfillment of which will take place before the date of establishing the right to dividend.

NOT APPLICABLE

Comment: Such corporate event did not occur in the Company in the reporting period.

-
16. The issuer publishes monthly reports within 14 days from the end of the month. The monthly report should contain at least:

information on the occurrence of trends and events in the issuer's market environment which, in the issuer's opinion, may have significant effects on the financial condition and financial results of the issuer in the future, a list of all information published by the issuer in the form of a current report in the period covered by the report,

information on the implementation of the emission targets, if such implementation, even partially, took place in the period covered by the report,

an investor's calendar, including events to take place in the coming month that relate to the issuer and are important from the point of view of investors' interests, in particular the publication date of periodic reports, planned general meetings, subscription opening, meetings with investors or analysts, and the expected date of publication of the analytical report.

NO

Comment The Company does not publish monthly reports. The Company believes that submitting reports on such a frequent basis is unjustified due to the type of activity conducted.

All significant information affecting the company's activities and economic situation is immediately provided in the form of current reports. The Management Board does not exclude the resumption of publishing monthly reports if it deems that due to the change in the dynamics of the Company's development or the expansion of its activities, the publication of data on a monthly basis will facilitate investors' assessment of the Issuer's activities and will reliably and transparently show its current situation

16a In the event of a breach by the Issuer of the information obligation set out in Appendix No. 3 to the Rules 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 the manner appropriate for submitting current reports on the NewConnect market, information explaining the situation.

YES

Comment: The Issuer applies the above rule

17.(deleted)

Warsaw, 31 July 2020

Prezes Zarządu /CEO

Aleksander Gruszczyński

SELECTED FINANCIAL DATA OF THE ISSUER'S UNCONSOLIDATED SUBSIDIARIES.

CARLSON INVESTMENTS S.A. as of 31 December 2019. owned shares in three companies:

- A. 100.00% as of 31 March 2020 HOTBLOK Polska Sp. z o.o. - with seat in Warsaw (E. Plater 49, 00-125 Warsaw). HOTBLOK POLSKA Sp. z o.o. was established by the Issuer on 21 December 2018, and on 21 February 2019 it was registered in the National Court Register (KRS) under the number 0000767566, NIP: 5252781040 the District Court for the capital city of Warsaw, 12th Business Division of the National Court Register. HOTBLOK POLSKA sp. z o.o. has not started its operations and does not generate revenues.
- B. From 7 November 2019, 100.00% (100.00% as at 31.03.2020) in POLVENT Sp. z o.o. with its registered office in Warsaw at: ul. Złota 7 apt. 19, 00-019 Warsaw, registered in the Register of Entrepreneurs by the District Court for the capital city of Warsaw in Warsaw, 12th Commercial Division of the National Court Register under the KRS number: 0000163631, REGON: 012106108, Tax Identification Number (NIP): 5210330930. POLVENT Sp. z o.o. is a consulting company, with its major asset being 400 of shares constituting 86.77% in share capital of TECHVIGO Sp. z o.o. The remaining 61 of shares in this company is owned by ALRO Investment Sp. z o.o. (KRS number 0000733169).
- C. On 27 November 2019, 99.95% (99.95% as at 31.03.2020) in Sundawn Limited (Sundawn Ltd) registered in the United Kingdom in the Companies House under no. 07831091. Share capital of Sundawn Ltd. amounts to GBP 220,150.

Pursuant to § 5 Section 2 of Exhibit 3 to the Alternative Trading System Rules, the Issuer is obliged to present regular reports in a form of consolidated quarterly reports and consolidated annual report of the capital group. That obligation does not apply to the cases except from consolidation under 57 and 58 of the Accounting Act of 29 September 1994. Therefore, particularly subject to Article 58 Section 1, as at 31.12.2019 the Issuer does not include in consolidation its subsidiaries, because financial data of the subsidiaries are deemed insignificant for satisfying the obligation specified in Article 4 Section 1 of the above Act, due to the fact that they do not conduct business operations, i.e. don't generate revenues from sales and as a result of the extent of the result which does not significantly affect CARLSON INVESTMENTS S.A. results. Thus, the Issuer presents selected financial data that include basic items from the quarterly financial statements of the subsidiaries that we part of the capital group as at 31.12.2019.

A. HOTBLOK POLSKA SP. Z O.O.

HOTBLOK POLSKA SP. Z O.O.			
Abridged balance sheet		31.12.2019	31.12.2019
ASSETS		IN PLN	IN EUR
A.	Fixed assets	-	-
I.	Intangible assets	-	-
II.	Tangible fixed assets	-	-
III.	Long-term receivables	-	-
IV.	Long-term investments	-	-
V.	Long-term accruals	-	-
B.	Current assets	5,000	1,163
I.	Inventories	-	-
II.	Short-term receivables	-	-
III.	Short-term investments	5,000	1,163
IV.	Short-term accruals	-	-
	TOTAL ASSETS	5,000	1,163

HOTBLOK POLSKA SP. Z O.O.			
Abridged balance sheet		31.12.2019	31.12.2019
LIABILITIES		IN PLN	IN EUR
A.	Total equity (own fund)	5,000	1,163
I.	Initial capital (fund)	5000	1,163
II.	Called up initial capital (negative value)	-	-
III.	Treasury shares (stocks) (negative value)	-	-
IV.	Supplementary capital	-	-
V.	Revaluation capital (fund)	-	-
VI.	Other reserve capital (fund)	-	-
VII.	Previous year profit (loss)	-	-
VIII.	Net profit (loss)	-	-
IX.	Appropriations of net profit during the financial year (negative value)	-	-
B.	LIABILITIES AND PROVISIONS FOR LIABILITIES	-	-
I.	Provisions for liabilities	-	-
II.	Non-current liabilities	-	-
III.	Current liabilities	-	-
IV.	Accruals	-	-
	TOTAL LIABILITIES	5,000	1,163

HOTBLOK POLSKA SP. Z O.O.		period	period
Profit and loss account (comparative variant)		31.12.2019 IN PLN	31.12.2019 IN EUR
A.	Net sales revenues and equivalent income, including:	-	-
B.	B. Operating expenses	-	-
C.	Profit (loss) on sales (A-B)	-	-
D.	Other operating income	-	-
E.	Other operating expenses	-	-
F.	Operating profit (loss) (C+D-E)	-	-
G.	Financial income	-	-
H.	Financial costs	-	-
I.	Operating profit (loss) from business activity (F+G-H)	-	-
J.	Income tax	-	-
K.	Other statutory reductions in profit (increases of loss)	-	-
L.	NET PROFIT (LOSS) (K-L-M)	-	-

B. POLVENT SP. Z O.O.

POLVENT SP. Z O.O.		Abridged balance sheet	
		31.12.2019	31.12.2019
ASSETS		IN PLN	IN EUR
A.	Fixed assets	67,050	15,598
I.	Intangible assets	-	-
II.	Tangible fixed assets	-	-
III.	Long-term receivables	-	-
IV.	Long-term investments	67,050	15,598
V.	Long-term accruals	-	-
B.	Current assets	264,029	61,419
I.	Inventories	-	-
II.	Short-term receivables	7,172	1,668
III.	Short-term investments	256,857	59,751
IV.	Short-term accruals	-	-
	TOTAL ASSETS	331,079	77,017

POLVENT SP. Z O.O.SP. Z O.O.		Abridged balance sheet	
		31.12.2019	31.12.2019
LIABILITIES		IN PLN	IN EUR
A.	Total equity (own fund)	116,445	27,088
I.	Initial capital (fund)	50,000	11,631
II.	Called up initial capital (negative value)	-	-
III.	Treasury shares (stocks) (negative value)	-	-
IV.	Supplementary capital	-	-
V.	Revaluation capital (fund)	-	-
VI.	Other capitals (funds)	-	-

	reserves		
VII.	Previous year profit (loss)	68,779	15,600
VIII.	Net profit (loss)	- 2,334	-543
IX.	Appropriations on net profit during the financial year (negative value)	-	-
B.	LIABILITIES AND PROVISIONS FOR LIABILITIES	214,634	49,929
I.	Provisions for liabilities	-	-
II.	Non-current liabilities	-	-
III.	Current liabilities	214,634	49,929
IV.	Accruals	-	-
	TOTAL LIABILITIES	331,079	77,017

POLVENT SP. Z O.O.		period	period
Profit and loss account		31.12.2019	31.12.2019
(comparative variant)		IN PLN	IN EUR
A.	Net sales revenues and equivalent income, including:	6,854	1,594
B.	B. Operating expenses	-12,521	-2,913
C.	Profit (loss) on sales (A-B)	- 5,667	-1,318
D.	Other operating income	1	-
E.	Other operating expenses	-	-
F.	Operating profit (loss) (C+D-E)	-5,666	-1,318
G.	Financial income	8,318	1,935
H.	Financial costs	-4,986	-1,160
I.	Profit (loss) from business activities (F+G-H)	- 2,334	-543
J.	Income tax	-	-
K.	Other statutory reductions in profit (increases of loss)	-	-
L.	NET PROFIT (LOSS) (K-L-M)	-2,334	-543

C. SUNDAWN LIMITED

As at the date of publishing the 2019 financial statements, basic financial data of SUNDAWN Ltd for the financial year ended on 31.12.2019 are not available. Share capital of SUNDAWN Ltd amounts to GBP 220,150 and is divided into 220,150 shares at a nominal value of GBP1 each.