Current report ESPI No. 9/2019

Date of Preparation: 2019-10-09

Short Name of Issuer: QUARTICON S.A.

Subject: Decision of the Management Board to increase the Company' share capital by issuing new shares

Legal basis: Article 17 paragraph 1 MAR - confidential information

Content of report:

Management Board of QuarticOn S.A. ["Company"] informs that on 9th October 2019 made a decision to take an actions that will lead to increase the Company' share capital by issuing new shares. The Company intends to invest the funds from the new shares issue on the strategic development, mainly in SaaS solutions. The Company also considers some M&A projects that could boost sales increase or technologically support new products solutions.

In accordance with the assumptions adopted today, after granting the necessary corporate approvals, the Company plans to: [i] increasing the share capital by PLN 2,000 through the issue of 20,000 series F shares under private placement and applying for the launching of these shares to trading on the NewConnect market, [ii] implementation of the ESOP program (adopted in June 2018) and increase of the share capital up to PLN 15,297 through the issue up to 152 970 series D shares in the share capital by authorized entities, what also requires the Supervisory Board's opinion in regard to the operating conditions of the program, [iii] adopting an amendment to the Statute and authorization of the Company's Management Board until December 31, 2020 to increase the Company's share capital by one or several increases by not more than PLN 10,000 [target capital] by issuing not more than 100,000 series G ordinary shares with potential M&A projects purposes.

In the coming days, the Company plans to announce an Extraordinary General Meeting. The Company will inform on a basis of appropriate reports about further significant activities and decisions taken within the areas described above.