

ESPI current report No. 13/2020

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 July 30, 2020 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 expansion in SaaS channel and new, innovation products for e-commerce, based on A.I. technology.

In accordance with the assumptions adopted today, after granting the necessary corporate approvals, the Company plans to:

- increasing the share capital by PLN 13,500 through the issue of 135,000 series H shares under private placement and applying for the launching of these shares to trading on the NewConnect market,
- implement deadline amendment to the increase of the Company's share capital within the authorized share capital intended for M&A purposes, adopted with the Resolution no 4 of the Extraordinary General Meeting on 8th of November, 2019, changing the deadline date from 31 of December, 2020 to 31 of December, 2021. This amendment is the result of prolonged (i.a. as a result of a pandemic) process of searching potential entities whose acquisition the Company is interested in, which also extends initial talks with entities in which the Company is potentially interested.

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