

Current Report ESPI No 16/2021

Date of Preparation: 2021-09-27

Short Name of Issuer: QUARTICON S.A.

Subject: Information on the recommended amount of funding from the National Centre for Research and Development

Legal basis: Article 17 paragraph 1 MAR - confidential information

Content of report:

Management Board of QuarticOn S.A. (Company, Issuer) informs that today, i.e. on September 27, 2021, the National Centre for Research and Development (NCBR) has selected one of the Company's development projects for co-financing from EU funds. R&D project "Development of advanced algorithms and methods of artificial intelligence in the field of analysis and modelling of fashion styles in the form of a self-learning system of recommendations and composition of fashion styling from individual items of clothing based on given style patterns" recommended for funding from NCBR funds is an innovative solution aimed mainly at e-commerce in the fashion industry. The value of the entire above-mentioned project is approximately PLN 6.3 million (EUR 1.37 million) while the value of the recommended co-financing from the National Centre for Research and Development is approximately PLN 4.7 million (EUR 1 million).

The fashion segment in the E-commerce industry is one of the fastest growing distribution channels in Poland and in the world. Online shopping has become very popular among consumers who are more and more willing to visit online stores and purchase using mobile applications. According to Coresight Research estimates, the value of the global fashion market will increase to USD 325.8 billion in 2022. The company assumes that the final solution developed by the Issuer will be available both as a mobile application for consumers and as a B2B module for e-stores in the fashion industry.

Information about the conclusion of the contract with NCBR will be provided in the next current report, while according to the information from NCBR, the recommended amount of funding may change, in particular as a result of verification of the permissible amount of de minimis aid before concluding the contract.

Signatures of persons representing the Company:

Paweł Wyborski - CEO

Michał Giergielewicz - CFO