

Current Report ESPI No 18/2021

Date of Preparation: 2021-10-29

Short Name of Issuer: QUARTICON S.A.

Subject: Decision of the Management Board to take steps towards a possible Management Board of Quarticon S.A. ["Company"] informs that on October 29, 2021 made a decision to take an actions that will lead to increase the Company' share capital by issuing two series of new shares. The funds earmarked from potential issues of the Company intends to allocate for:

- Financing the acquisition of shares in the another internet services industry entity, about which the Company in the ESPI current report No. 17/2021 on signing a letter of intent;
- Obtaining financing from one of the funds to start the implementation of the project co-financed by the National Center for Research and Development as well as for the working capital for the new entity after finalizing the merger mentioned above;.

According to the planned implementation of the project co-financed by the National Center for Research and Development, the Company plans to increase the share capital by issuing not less than PLN 100-150 thousand new shares. Regarding to the conclusion of the above mentioned letter of intent and ongoing talks regarding the settlement of the terms of a potential transaction for the acquisition of shares in a Polish technology company from the e-commerce services sector (which the Company informed about in the above-mentioned current report, the total number of new issue shares may also include an additional issue shares for the purposes of the planned acquisition. However, as at the date of publication of this report, due to the ongoing talks, the Company is not able to precisely determine the size of this issue.

The aforementioned activities are part of the Company's development strategy, increasing its scale of operation and significantly improving the competitiveness of the Company's offer. On the other hand, the commencement of work on a new product co-financed from EU funds will allow the Company to prepare an innovative solution based on AI algorithms for the fashion industry.

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.

Signatures of persons representing the Company:

Paweł Wyborski - CEO

Michał Giergielewicz - CFO

