

## Current Report ESPI No 23/2021

Date of Preparation: 2021-12-22

Short Name of Issuer: QUARTICON S.A.

Subject: Conversion of debt into the share capital of the Company

Content:

Management Board of QuarticOn S.A. ["Company", "Issuer"] informs that on December 21, 2021, in accordance with the Resolution No. 3 of the Extraordinary General Meeting of the Issuer of December 13, 2021 on increasing the Company's share capital by issuing ordinary bearer shares series G with the deprivation of the current shareholders of the company of the pre-emptive right to shares of new issues and in the matter of changing the company's statute, the Issuer concluded an agreement with Venture Fundusz Inwestycyjny Zamknięty ["Venture FIZ"] for the conversion of debt into the share capital of the Company ["Agreement"].

Pursuant to the Agreement, the parties decided to convert the Company's liabilities towards Venture FIZ (loans granted to the Issuer) in the total amount of PLN 2,994,900 into share capital in the form of 998,300 series G ordinary bearer shares issued on the basis of the above-mentioned resolutions of the Extraordinary General Meeting of the Company. The issue price of one series G share is PLN 3.00.

In the case of conversion of the above-mentioned Liabilities for series G shares by making a contribution in kind, the Company's liabilities towards Venture FIZ expire.

In the opinion of the Management Board of the Company, the signed contract and the conversion carried out soon are another (apart from the development of a comprehensive CDXP offer and the commenced "AI Fashion Stylist" project) strategically important step towards strengthening the Company's position on the market and opening up to new possibilities of implementing a long-term strategy. The share issue planned for January 2022 will be used to support the sale operations and the first stage of the "AI Fashion Stylist" project.

Signatures of persons representing the Company:

Paweł Wyborski - CEO

Michał Giergielewicz - CFO

