

ESPI Current report

Number: 11/2018
Date of preparation: 18 September 2018
Company: XTPL spółka akcyjna (joint-stock company) with its registered office in Wrocław

Title: Agreeing conditions concerning the new issue of shares of XTPL S.A.

Legal basis: Article 17 point 1 MAR - inside information

Content of the report: Management Board of XTPL S.A. (the "Issuer") informs that today it has agreed with the controlling entity of one of the Issuer's shareholders, that is Deutsche Balaton AG (controlling entity of Heidelberger Beteiligungsholding AG) main conditions concerning the involvement in the Issuer's capital by taking up the new shares' issue.

Bearing in mind the above the Management Board of the Issuer is planning the following activities:

1. The Management Board of the Issuer acting on the basis of article 444-447 of the Polish Commercial Companies Code and on the basis of § 10 section 4-8 of the Articles of Association of the Issuer is planning to adopt a resolution on increasing the Issuer's share capital (within the target capital) by issuing 41,400 (forty one thousand four hundred) shares (the "Shares") with a nominal value of PLN 0.10 each, i.e. with a total nominal value of PLN 4,140 (four thousand one hundred forty zlotys).
2. The current Issuer's shareholders will be deprived of the pre-emptive right to the Shares in whole (subject to the consent of the Supervisory Board - on the basis of article 447 § 1 of the Polish Commercial Companies Code and on the basis of §10 section 8 of the Articles of Association of the Issuer).
3. The Shares will issued by means of private subscription.
4. The issue price for one share of new share issue will be determined based on VWAP (average price weighted with the trading volume) calculated for the last 3 months of quotation as of 17 September 2018, prior to the opening of the trading session and decreased by 10% discount and rounded down to full zlotys, i.e. price the issue of one share of the new issue will be PLN 109 (one hundred nine zlotys), i.e. in total PLN 4,512,600 (four million five hundred twelve thousand six hundred zlotys) for the Shares.

The purpose of the issue of the Shares is to finance the Issuer's business development activities on the American market ("USA") and strengthening the patent position. The funds obtained from the issue of Shares are to be used, among others, for securing the financing growth of the Issuer's sales activities in the USA. The described activities were not included in the objectives of the series M shares issue of the Issuer.

The Management Board of the Issuer intends to recommend to the Supervisory Board of the Issuer to adopt a resolution approving the deprivation of the Issuer's current shareholders in whole of the pre-emptive right to the Shares.

The Management Board of the Issuer will inform in separate current reports about the adoption of a resolution on the issue of Shares by the Management Board of the Issuer and on the conclusion of the agreements for taking up the Shares.

Signatures of persons representing the Company:

Maciej Adamczyk - Member of the Board