

ESPI Current Report

Number: 26/2019
Date of preparation: 13 June 2019
Company: XTPL S.A., a joint stock company with its registered office in Wrocław

Title:

Decision on the issue of new shares within the authorized capital

Legal basis: Article 17(1) MAR – inside information

Contents of the Report:

The Management Board of XTPL S.A. with its registered office in Wrocław (the “Issuer”, “Company”) announces that in view of the declaration of interest received from a group of foreign investors regarding subscription of the Issuer's shares, and taking into account the Company's further development plans concerning commercialization of its technology, the Management Board has decided to start actions designed to issue new shares and increase the Issuer's share capital within the authorized capital.

The Issuer's Management Board plans to undertake the following actions

- 1) Subject to the Supervisory Board's consent referred to in point 2 below, to adopt a resolution on increasing the Company's share capital (within the authorized capital) by issuing from 55 000 (fifty five thousand) up to 65 000 (sixty five thousand) shares (“Shares”) with a nominal value of PLN 0.10 each;
- 2) To fully deprive the Issuer's existing shareholders of their pre-emptive rights to the Shares; the Management Board intends to ask the Supervisory Board for its consent in this regard, pursuant to Article 447 § 1 of the Commercial Companies Code and § 10(8) of the Issuer's Articles of Association;
- 3) To offer the Shares to the investors known to the Issuer before the date of publication of this report. The Shares will be offered through a private placement based on Article 431 § 2(1) of the Commercial Companies Code to no more than 149 persons – for this reason, no share prospectus or information memorandum will be drawn up;
- 4) To determine the issue price of the Shares based on VWAP (volume weighted average price) calculated for the last month of trading in the Company's shares as of the day preceding the date of publication of this report and reduced by a 7% discount and rounded down to full PLN, which means that the issue price of one Share will be PLN 130;

5) To allocate the funds from the issue of the Shares, to, inter alia, the financing of work on commercialization of the technology in Southeast Asian markets and further development of the patent cloud.

The Management Board plans to end the issue of the Shares within one month of the date of this report.

The Issuer's Management Board will release separate current reports to inform about adoption of the resolution on the issue of the Shares and about the end of subscription of the Shares.

Signatures of Company's representatives:

Maciej Adamczyk
MANAGEMENT BOARD MEMBER