

LARQ S.A.

CURRENT REPORT 9 / 2020

Report Date:

17 March 2020

Subject: Summary of the Private Placement of Ordinary Bearer Shares of Series I

Legal Basis:

Article 56 (1) and (2) of the Offering Act – Current and Periodic Disclosures

Text of the Report

The Management Board of the company styled LARQ S.A. of Warsaw (the “**Issuer**”, the “**Company**”), with reference to the Issuer’s Current Report 7/2020 of 2 March 2020, hereby reports, for public notice, the following information summarising the private placement of ordinary bearer shares of series I in the Company (the “**Series I Shares**”):

1. Subscription or sale commencement and completion dates:

The Subscription of Series I Shares proceeded as a private placement by solicitation of offers by the Company and their acceptance by the indented addressees (Article 431 § 2.1 of the Commercial Companies Code). The subscription agreements for Series I Shares were made on 3 March 2020.

2. Securities allotment date:

Considering the method of issuance of Series I Shares, there was no allotment of shares. The shares were taken up by way of execution of the share subscription agreements on 3 March 2020.

3. Number of securities subject to subscription or sale:

At least 320,000 but no more than 570,000 Series I Shares were subject to subscription; the par value per each Series I Share was PLN 0.10 (ten grosz).

4. Reduction rate in each tranche when the number of securities allotted in any tranche was less than the number of securities subscriptions:

Not applicable.

5. Number of securities subscribed for under subscription or sale:

Offers to purchase 570,000 Series I Shares were placed for the private placement.

6. Number of securities allotted under the subscription or sale:

Following the subscription, 570,000 Series I Shares were allotted under share subscription agreements.

7. Subscription (purchase) price of securities:

The issue price per one Series I Share was PLN 3.15 (three zlotys fifteen grosz).

8. Number of persons who subscribed for securities subject to subscription or sale in each tranche:

Not applicable – the private placement of Series I Shares was not divided into tranches.

9. Number of persons who were allotted securities in each tranche of subscription or sale:

Series I Shares were subscribed by two entities who signed relevant subscription agreements for Series I Shares.

10. Name (business name) of underwriters who subscribed for securities under underwriting agreements, and the number of securities subscribed by them and the

actual price per security being its issue or sale price less the underwriting fee per security purchased by underwriters under underwriting agreements):
Not applicable. The issuance of Series I Shares was not underwritten.

11. Value of the subscription or sale understood as the number of securities in the offer multiplied by their issue or sale price:

The private placement covered 570,000 Series I Shares for the issue price of PLN 3.15 (three zloty fifteen grosz); accordingly, the total subscription value was PLN 1,795,500 (one million seven hundred ninety five and five hundred zlotys).

12. Total costs charged to the costs of issuance, with their breakdown by cost category, at least into: (a) preparation and execution of the offer; (b) underwriting fees, separately for each underwriter; (c) drawing up of the issuance prospectus, plus any consulting fees; (d) promotion of the offer – and how those costs were accounted for in the books of account and their accounting treatment in the Issuer's financial statements:

The Issuer will draw up and publish its Current Report regarding the final amounts of issuance costs, with their breakdown by cost category, after receiving and accepting all invoices from everybody involved in the preparation and execution of the offer.

At the same time, the Issuer notes that the Series I Shares were offered for private placement. Series I Shares were not underwritten. No issuance prospectus or any other securities note was drawn up; the offer was not promoted in any way.

13. Average cost of subscription or sale per security subject to subscription or sale:

The Issuer will draw up and publish its Current Report regarding the average cost of subscription per one Series I Share after receiving and accepting all invoices from everybody involved in the preparation and execution of the issuance.

14. Method of payment for subscribed (purchased) securities, with detailed information about: (a) when the subscription was carried out by offsetting claims: (i) when such claims arose (date); (ii) subject matter of those claims; (iii) value of claims and their valuation; (iv) description of the transaction that generated such claims; (v) entities that subscribed for (purchased) the issuer's shares and number of such shares; (b) when the subscription (sale) was for contribution in kind: (i) object of in-kind contribution; (ii) value of in-kind contributions and their valuation; (iii) entities that subscribed for (purchased) the issuer's shares and number of such shares:

Series I Shares were subscribed for cash contributions only.

Detailed legal basis: § 16.1 of the of the Finance Minister's Regulation of 29 March 2019 on current and periodic information to be provided by issuers of securities, and conditions for recognising as equivalent information required under regulations of a non-member state

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Persons representing the Company:

Krzysztof Przybyłowski – President of Management Board

Anna Krawczyńska-Nowak – Member of Management Board