

Polish Financial Supervision Authority**Current report****No. 3 / 2023**Report date: 5th January 2023

Abbreviated issuer name:

PATENTUS S.A.

Subject:

Turnover with Polska Grupa Górnicza S.A. for a total value meeting the significant agreement criteria.

Legal grounds:

Article 17 paragraph 1 MAR – confidential information.

Report content:

Management Board of PATENTUS S.A. ("Company", "Issuer", "Contractor") informs that throughout the period from 8th March 2022 to 5th January 2023, as part of cooperation with Polska Grupa Górnicza S.A. with its registered office in Katowice ("Ordering Party", "PGG"), concluded contracts with PGG and received purchase orders from PGG for the total net amount of PLN 15 152 610.19.

The agreement of the highest value is agreement No. 482201860 ("Agreement"), and the parties adopted as the date of its conclusion – the date of the last signature, i.e. 5th January 2023.

Subject of the Agreement: Delivery of a new longwall scraper conveyor and face scraper conveyor, crusher, shifting equipment, control system, loudspeaker communication and interlocks, along with a monitoring and visualization system for the longwall complex dedicated for the M-6 longwall in deck 501/3 for PGG S.A. Branch of KWK ROW Ruch Jankowice within the scope of task no. 2, i.e. Delivery of a new longwall scraper conveyor for KWK ROW Ruch Jankowice – dedicated for the M-6 longwall in deck 501/3 and execution of standard troughs and inspection troughs according to PGG's own documentation.

Completion time of the Purchase Order covered by the Agreement – up to 24 weeks from the date of Purchase Order delivery to the Contractor.

Total Agreement Net Value: PLN 8 830 000.00

Warranty:

a) General warranty period for the Subject of the Order stands at min. 24 months from the Final Acceptance Protocol date, but no longer than the offered warranty period extended by 6 months from the date of the Completeness of Delivery Protocol to the Ordering Party's warehouse, excluding components for which a detailed warranty period was granted, as determined below.

b) Detailed warranty period:

1. PZS drive units hulls and trough haulage: 3 million tons of transported output or 36 months from the date of commissioning underground, whichever occurs first,
2. PZS attached troughs and chain drums: 2 million tons of transported output or 24 months from the date of commissioning underground, whichever occurs first,
3. PZS drive units hulls and trough haulage: 2 million tons of transported output or 24 months from the date of commissioning underground, whichever occurs first,
4. PZS attached troughs: 2 million tons of transported output or 24 months from the date of commissioning underground, whichever occurs first,
5. PZP chain drums: 1 million tons of transported output or 24 months from the date of commissioning underground, whichever occurs first,
6. gearboxes and clutches: 24 months from the date of commissioning underground,
7. drive units, motors and other electrical devices: 24 months from the date of commissioning underground,
8. chains for the longwall scraper conveyor and face scraper conveyor – 12 months from the date of commissioning underground.
9. crusher drum bearings (regards longwall conveyors): 1.5 million tons of transported output or 24 months from the date of commissioning underground, whichever occurs first,
10. longwall crusher hull, longwall crusher routing components: 2 million tons of transported output or 24 months from the date of commissioning underground, whichever occurs first,
11. longwall crusher dedicated shaft with bearings: 1.5 million tons of transported output or 18 months from the date of commissioning underground, whichever occurs first,
12. longwall crusher beaters: 12 months from the date of commissioning underground.

c) Warranty period for equipment subassemblies or components repaired under warranty (excluding subassemblies and components covered by detailed warranty) - min. 12 months from the date of repair service performance, but not less than the general warranty period.

d) Detailed warranty period does not affect the duration of general warranty period.

e) Consumables, i.e. fuses, crusher drive belts, oils, lubricants and light bulbs are not covered by the warranty.

f) Warranty for fast-wearing components with reduced service life, i.e. ejectors and ejector plates, excessive load protection, replaceable slides, coupling inserts, O-rings and seals – 12 months from the Final Acceptance Protocol date, but not longer than 24 months from the date of the Protocol Completeness of delivery to the Ordering Party's warehouse.

Contractual penalties:

- 1) for withdrawal from the Agreement by one of the Parties for reasons attributable to the Contractor in the amount of 20% of the net value of the unperformed part of the agreement in the scope of the task the withdrawal concerns,
 - 2) for withdrawal from the Agreement by one of the Parties in the case of the subject of Agreement non-delivery in the amount equal to the cost of a replacement item acquisition by the Ordering Party and 2% of the net agreement value;
 - 3) in the amount of 0.1% of the net value of the not delivered on time part of the Subject of the Order for each day of delay,
 - 4) in the amount of 0.2% of the net value of the not delivered part of the Subject of the Order for each day of delay,
 - 5) in the amount of 0.01% of the net agreement value for the warranty technical service reporting at the registered office of the Ordering Party for repair within the period exceeding 8 hours from the notification for each hour of delay;
 - 6) in the amount of 0.1% of the net agreement value for each hour of failure, to be removed under warranty obligations, after exceeding 36 hours of total downtime in a given month as a result of this type of failure,
 - 7) in the amount of 0.2% of the net agreement value for inability to remove the reported failure within 24 hours from the Contractor's technical service team notification, for each started day of delay.
 - 8) the value of the charged contractual penalties pursuant to provided provisions cannot exceed 10% of the net agreement value,
 - 9) in the event of detection that the works are conducted at the mining plant premises by the Contractor's employees unable to communicate in Polish in speech and writing to a degree that determines communication – in the amount of PLN 200 for each case,
 - 10) for the delay in documents submission which, in accordance with the SOPZ, are to be submitted by the Contractor in the amount of PLN 100 each day of delay,
 - 11) for breach of the confidentiality obligation by the Contractor in the amount of 5% of the net agreement value,
 - 12) in the event of detection of Contractor's employees at the stage of coming to work or during the performance of works:
 - a) state after alcohol usage; (the state after alcohol usage occurs when the breath alcohol content equals or leads to the presence of 0.1 mg to 0.25 mg of alcohol in 1 dm³ corresponding to the blood alcohol concentration from 0.2‰ to 0.5‰ of alcohol);
 - b) state of intoxication, (the state of intoxication occurs when the breath alcohol content equals or leads to the presence of above 0.25 mg of alcohol in 1 dm³ corresponding to the blood alcohol concentration above 0.5‰)
 - c) state under the influence of drugs or other substances, the impact of which on the employee's body prevents the proper performance of employee duties; (further other substances),
 - d) using / consuming alcohol, drugs or other aforementioned substances during the performance of works or in the workplace;
 - e) bringing alcohol, drugs or other aforementioned substances to the workplace,-in the amount of PLN 1 000.00 for each disclosed case
2. In the event of the disclosure of the Contractor's employee/s seizure of the Ordering Party's property or property belonging to companies based on the Ordering Party's premises, the Contractor shall fully cover the losses resulting from the seizure, and will pay the Ordering Party a fine of PLN 1 000.00 (one thousand zlotys 00/100)) for each disclosed case.
3. Ordering Party may charge contractual penalties in the event of difficulties in the commencement or conduction or completion of the Audit, due to reasons attributable to the Contractor: 1) after the ineffective expiry of the deadline specified in the Ordering Party's request to enable the commencement or conduction or completion of the Audit - in the amount of 0.1% of the net value for each started day in which it was impossible to properly commence, conduct or complete the Audit.
- 2) in the event of repeated difficulties in the commencement or conduction or completion of the Audit due to reasons attributable to the Contractor the Ordering Party is entitled to charge contractual penalties without prior notification in the amount specified in point 1).
4. Shall the Contractor fail to deliver the Subject of the Agreement, Subject of the Agreement shall be incomplete, or Contractor shall evade the performance of the warranty services, the Ordering Party is entitled to order a substitute performance.
5. Shall the Ordering Party order the delivery of unperformed parts / components of the Subject of the Order (e.g. not delivered) with a third party (substitute performance), the Contractor is obliged to reimburse the price difference and - as a result of the aforementioned – to charge the Contractor a contractual penalty in the amount of 2% of the net agreement value.
6. Shall the Ordering Party subcontract the warranty services performance, which the Contractor refuses to perform to a third party (substitute performance), the Contractor is obliged to reimburse the value of subcontracted services.
7. Reimbursement amounts referred to, shall be determined on the basis of an agreement with the entity which was instructed to deliver the unperformed parts or perform warranty services, respectively.
8. In the event of a withdrawal from the Agreement from reasons attributable to one Party, the second Party is entitled to a contractual penalty in the amount of 20% of the net agreement value.
9. Total maximum value of contractual penalties attributable to the Ordering Party cannot not exceed the agreement value.

PATENTUS SPÓŁKA AKCYJNA

(full issuer name)

PATENTUS S.A.

(abbreviated issuer name)

Electro engineering industry (ele)

(sector acc to WNE classification)

43-200

(zip code)

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(town/city)

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(Vatin)

273585931

(National Business Registry Number)

SIGNATURES OF THE COMPANY'S REPRESENTATIVES:

Date

Name and Surname

Position/Function

Signature

5th January 2023

Józef Duda

President of the Management Board

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