

ARTICLES OF ASSOCIATION

(Unified text of September 2020)

PATENTUS Spółka Akcyjna with the Registered Office in Pszczyna

§ 1

1. The business name of the Company is: **Patentus Spółka Akcyjna**.
2. The Company may use the abbreviated name: **Patentus S.A.** as well as distinguishing graphic sign.

§ 2

1. The Registered Office of the Company is situated in Pszczyna.
2. The Company operates in the Republic of Poland and abroad.
3. The Company may establish and run its branches, establishments, subsidiaries, divisions, representative offices and other facilities, as well as it may be a copartner or a shareholder in other companies and can participate in other economic relations both domestic and international.

§ 3

The Company's duration is indefinite.

§ 4

1. The Company's line of business, according to Polish Classification of Activity is:
 - Manufacture of sawmill products (16.10.Z).
 - Manufacture of plastic packing goods (22.22.Z).
 - Manufacture of other plastic products (22.29.Z).
 - Manufacture of structural metal products (25.1).
 - Manufacture of cutlery, tools and general-purpose metal products (25.7).
 - Manufacture of other fabricated metal products (25.9).
 - Manufacture of bearings, gears, gear transmissions and driving elements (28.15.Z).
 - Manufacture of lifting and handling equipment (28.22.Z).
 - Manufacture of machinery for mining, quarrying and construction (28.29.Z).
 - Manufacture of machines for rubber or plastics processing and the manufacture of products from these materials (28.96.Z).
 - Manufacture of other special-purpose machinery n.e.c. (28.99.Z).
 - Manufacture of other transport equipment n.e.c. (30.99.Z).
 - Manufacture of other products n.e.c (32.99.Z).
 - Repair and maintenance of fabricated metal products, machinery and equipment (33.1).
 - Instalation of industrial machinery and equipment (33.20.Z).
 - Wastewater discharge and treatment (37.00.Z).
 - Waste collection (38.1).
 - Waste treatment and disposal (38.2).
 - Material recovery (38.3).
 - Implementation of construction projects related to the buildings construction (41.10.Z).
 - Construction of residential and non-residential buildings (41.20.Z).
 - Construction of roads and railways (42.1).
 - Works related to the construction of pipelines, telecommunication lines and power lines (42.2).
 - Works related to the construction of other civil engineering structures (42.9).
 - Demolition and site preparation (43.1).
 - Electrical, plumbing and other construction installation activities (43.2).
 - Building completion and finishing (43.3).

- Other specialized construction activities (43.9).
 - Wholesale of household goods (46.4).
 - Wholesale of information and communication equipment (46.5).
 - Wholesale of machinery, equipment and supplies (46.6).
 - Other specialized wholesale (46.7).
 - Non-specialized wholesale trade (46.90.Z).
 - Other retail sale in non-specialized stores (47.19.Z).
 - Retail sale of automotive fuel in specialized stores (47.3).
 - Retail sale of information and communication equipment in specialized stores (47.4).
 - Retail sale of household equipment in specialized stores (47.5).
 - Retail sale of cultural and recreation goods in specialized stores (47.6).
 - Retail sale of other goods in specialized stores (47.7).
 - Freight transport by road (49.41.Z).
 - Other monetary intermediation (64.19.Z).
 - Buying and selling of own real estate (68.1).
 - Rental and operating of own or leased real estate (68.2).
 - Real estate activities on a fee or contract basis (68.3).
 - Accounting, bookkeeping; tax consultancy (69.20.Z).
 - Architectural and engineering activities and related technical consultancy (71.1).
 - Technical testing and analysis (71.2).
 - Research and experimental development on natural sciences and engineering (72.19.Z).
 - Specialized design activities (74.1).
 - Other professional, scientific and technical activities n.e.c. (74.9.).
 - Rental and leasing of motor vehicles excluding motorcycles (77.1).
 - Rental and leasing of personal and household goods (77.2).
 - Rental and leasing of other machinery, equipment and tangible goods (77.3).
 - Leasing of intellectual property and similar products, excluding copyrighted works (77.4).
 - Combined facilities support activities (81.10.Z).
 - Landscape service activities (81.30.Z)
 - Technical and vocational secondary education (85.32).
 - Other education (85.5).
 - Educational support activities (85.60.Z).
 - Crop and animal production, hunting and related services (01).
 - Forestry and logging (02).
 - Wholesale on a fee or contract basis (46.1).
 - Retail trade not in stores, stalls or markets (47.9).
 - Financial leasing (64.91.Z).
 - Other credit granting (64.92.Z).
 - Other financial service activities n.e.c., excluding insurance and pension funding (64.99.Z).
2. If undertaking specific business activities requires, under separate provisions, a license or permit, the Company shall obtain such license or permit prior to the activity or meeting other statutory requirements necessary to conduct specific business activities.
 3. A significant change in the Company's line of business occurs without the redemption of shares of shareholders who do not accept the change, if the resolution of the General Meeting will be adopted by a two thirds majority – in the presence of shareholders representing at least half of the share capital.

Company's Share Capital. Rights and obligations of Shareholders

§ 5

1. Company's share capital amounts to 11,800,000.00 PLN (eleven million eight hundred thousand PLN) and is divided into:
 - 1) 5.000.000 (five million) registered shares of series A with a nominal value 0,40 PLN (forty groszy) each, with numbers from A0000001 to A5000000;

- 2) 7.500.000 (seven million five hundred thousand) registered shares of series B with a nominal value 0,40 PLN (forty groszy) each, with numbers from B0000001 to B7500000;
 - 3) 5.625.000 (five million six hundred twenty five thousand) registered shares of series C with nominal value 0,40 PLN (forty groszy) each, with numbers from C0000001 to C5625000;
 - 4) 5.250.000 (five million two hundred fifty thousand) bearer shares of series D with a nominal value 0,40 PLN (forty groszy) each, with numbers from D0000001 to D5250000;
 - 5) 3.125.000 (three million one hundred twenty five thousand) bearer shares of series E with a nominal value 0,40 PLN (forty groszy) each, with numbers from E0000001 to E3125000;
 - 6) 3.000.000 (three million) bearer shares of series F with a nominal value 0,40 PLN (forty groszy) each, with numbers from F0000001 to no more than F3000000.
2. All shares of series A, B and C are preferred shares as to voting rights in a way that each share is worth 2 (two) votes at the General Meeting.
 3. All shares of series D, E and F are ordinary shares.
 4. Newly issued shares may be registered shares or bearer shares and their issue price may be higher than the nominal value of shares.
 5. The Company may issue bonds, including convertible bonds and senior bonds.

§ 6

1. In the case of sale of registered shares, a right of first refusal is granted to shareholders holding **preferred (as to voting rights)** registered shares.
2. A shareholder who intends to sell **preferred (as to voting rights)** registered shares of series A, B or C is required to notify the Management Board of the intention to dispose those shares, specifying the lot number, the quantity and the proposed selling price of those shares.
3. The Management Board of the company is obliged to inform immediately, within 5 working days after receipt of notice referred to in paragraph 2, shareholders holding **preferred (as to voting rights)** registered shares of series A, B and C of the possibility to exercise the right of first refusal. A notification must indicate the lot number, the quantity and the proposed selling price of shares. This notification should be sent to shareholders holding **preferred (as to voting rights)** registered shares by registered letters to the addresses indicated in Share Register. A shareholder may collect the notice personally upon confirmation.
4. In the case where the Management Board does not receive, within one month from the date of sending the registered letters or from the day of collecting it in person by a shareholder as referred to in paragraph 3, a written statement from eligible shareholders indicating a desire to exercise the right of first refusal, the Management Board is required (within two weeks) to designate the purchaser of shares, for the price determined by the Management Board, but no less than their book value.
5. In the case where the Management Board does not designate the purchasers of shares before the date set out in paragraph 3 or fail to conclude, within two weeks from the date of designating by the Management Board the identity of the purchaser, by fault of the purchaser, the agreement to sell the registered shares to the purchaser, the shareholder may sell those registered shares without any restrictions, but in such case, the preference (as to voting rights) of registered shares expires.
6. In the event of donating the registered shares to a spouse or children, the preference (as to voting rights) of registered shares does not expire. In the case of donating the registered shares to persons other than those mentioned in the first sentence, the preference (as to voting rights) of registered shares expires.
7. Registered shares may not be pledged without the consent of the Supervisory Board and are inherited according to general rules.
8. Subject to the provisions of paragraph 9, a pledgee or usufructuary of registered and bearer shares is entitled to vote after obtaining the consent of the Supervisory Board expressed in a written resolution. The Supervisory Board shall pass, within two months from the date of

receiving a written request indicating the number of shares on which the pledge or usufruct has been constituted as well as the identity of the pledgee or usufructuary, the resolution on the approval or refusal of the permission to exercise voting rights by the pledgee or usufructuary of shares.

9. In the case where the Company obtains a status of a public company, the voting right attached to shares on which the pledge or usufruct has been constituted, held on securities accounts at the brokerage house or a bank managing securities accounts, is entitled to shareholder.
10. The issue of duplicates, copies, certified copies and extracts of the documents, at the request of the shareholders, shall be made at the expense of the shareholder.

§ 7

1. The Company's shares may be redeemed upon approval by the shareholder whose shares are intended for the redemption, through their acquisition by the Company (voluntary redemption)
2. The redemption of shares is followed by the reduction in Company's share capital.
3. The resolution of the General Meeting on the redemption of shares, determines the manner and the conditions of the redemption, and in particular the amount, timing and manner of payment of remuneration belonging to the shareholder resulting from the redemption of his/her shares, the legal basis for the redemption, as well as the manner of reducing the share capital.
4. When the payment of remuneration for voluntary redemption is financed from the amount which, pursuant to the Article 348 § 1 of the Commercial Companies Code, may be designated for the allocation, paragraph 5 and 6 shall be applied accordingly.
5. The General Meeting adopts a resolution in which:
 - 1) agrees for the management Board to purchase its own shares for redemption;
 - 2) it allocates, within the limits set in the Article 348 § 1 of the Commercial Companies Code, certain part of the Company's profit to finance the purchase of own shares for the purpose of redemption;
 - 3) it specifies the maximum number and price of Company's own shares to be acquired for the purpose of redemption;
 - 4) it specifies the maximum time period in which the Management Board is authorized to acquire Company's own shares for the purpose of redemption.
6. After the acquisition of own shares for the purpose of redemption, the Management Board shall immediately convene the General Meeting in order to adopt the resolution on the redemption of shares and for reduction of Company's share capital.

Company's Governing Bodies

§ 8

The Company's Governing Bodies are:

- a. The Management Board
- b. The Supervisory Board
- c. The Annual General Meeting

The Management Board

§ 9

1. The Management Board shall consist of one to five members appointed and dismissed by the Supervisory Board.
2. By selecting members of the Management Board, the Supervisory Board determines the number of members and indicates the function of each one in Management Board.
3. The common term of the Management Board shall be 5 (five) years.

§ 10

1. The Management Board manages the Company and represents it outside. It's the executive body of the Company and supervises all its activities.

2. The powers of the Management Board include all matters not reserved by law, the Articles of Association or the resolutions of the General Meeting regarding the powers of the General Meeting or the Supervisory Board.
3. Only the President of the Management Board and Vice President of the Management Board can independently submit and sign statements on behalf of the Company, other members of the Management Board may do it by acting jointly with the President of the Management Board, Vice President of the Management Board or a Commercial Proxy.
4. The resolutions of the Management Board are passed by an absolute majority of votes. In the case of equal votes, the vote of the President of the Management Board is decisive.
5. A detailed scope of rights and obligations of the Management Board as well as its procedures are determined by By-laws of the Management Board. By-laws of the Management Board are adopted by the Management Board and approved by the Supervisory Board.

§ 11

Members of the Management Board may not, without the consent of the Supervisory Board conduct any competitive activities and may not participate in governing bodies of other companies or other entities that conduct competitive activities.

§ 12

Chairman of the Supervisory Board or a representative of the Supervisory Board delegated from among its members by way of resolution, on behalf of the Company, enters into an agreement with each member of the Management Board. The same procedure applies to other activities connected with the employment relationship of the Management Board member.

The Supervisory Board

§ 13

1. The Supervisory Board shall consist of five to seven members appointed on the common term for five (5) years.
2. Members of the Supervisory Board are appointed and dismissed by the General Meeting.

§ 14

1. The Supervisory Board elects, from among its members a Chairman, Vice Chairman and a Secretary.
2. Chairman of the Supervisory Board shall convene and preside over the meeting of the Supervisory Board, and during his absence the Vice Chairman.
3. The Chairman shall convene a meeting of the Supervisory Board on its own initiative, at the request of any member of the Supervisory Board or at the request of the Management Board. The Supervisory Board meeting should be held within 2 (two) weeks from the date of submitting the application by an authorized entity.
4. Members of the Management Board and other persons invited by the members of the Supervisory Board may participate in the supervisory Board meetings.
5. Supervisory Board members shall perform their duties in person, subject to the provisions of paragraph 6.
6. Supervisory Board members may participate in adoption of the Supervisory Board resolutions by casting their votes in writing through another member of the Supervisory Board. Voting in writing through another member of the Supervisory Board can not relate to the matters included in the agenda for the Supervisory Board meeting.
7. Members of the Supervisory Board may adopt resolutions in writing or by means of direct remote communication. The resolution is valid, if all the members of the Supervisory Board have been notified of the content of the draft resolution.
8. The resolutions of the Supervisory Board are adopted by an absolute majority of votes of the Supervisory Board members. In case of equal votes, the vote of the Chairman of the Supervisory Board is decisive.

9. On the basis of a resolution of the Supervisory Board, an Audit Committee is established within its structure, operating on the basis of its own Regulations and the provisions of the Act of 11th of May, 2017 on statutory auditors, audit firms and public supervision.
10. Detailed operational rules of the Supervisory Board shall be determined by By-laws of the Supervisory Board. By-laws of the Supervisory Board are adopted by the Supervisory Board and approved by General Meeting.

§ 15

1. Meetings of the Supervisory Board shall be convened via registered or courier mail, at least 7 (seven) days before the meeting. The Supervisory Board member may also receive a notice convening the meeting against receipt so without the intermediation of mail. Member of the Supervisory Board may receive on his/her request, notifications convening the Supervisory Board meeting in electronic form to previously specified email address. This request, together with the email address must be submitted to the Company in writing under pain of being declared null and void. If the member of the Supervisory Board requested to be notified of the meetings via email, it is not necessary to send him a notice in writing.
2. Invitation to the meeting of the Supervisory Board shall include the agenda of the meeting, under pain of being declared null or void.
3. The Supervisory Board is able to adopt binding resolutions, if at least half of its members participate in the meeting and if all members of the Supervisory Board have been duly invited to the meeting, subject to the provisions of paragraph 5.
4. It is impossible to adopt any resolution on matters not covered by the agenda, unless all members of the Supervisory Board are present at the meeting and no one raised any objections to this matter.
5. It is permissible to hold a meeting of the Supervisory Board, without the need for convening it in the manner specified in paragraph 1, if all members of the Supervisory Board are present at the meeting and no one raised any objections to holding the meeting in this manner and placing certain issues on the agenda.

§ 16

1. The Supervisory Board shall exercise permanent supervision over Company.
2. Supervisory Board meetings shall be held whenever necessary but not less than 4 (four) times a fiscal year.
3. The powers of the Supervisory Board include, in addition to other matters specified by law:
 - 1) appointing and dismissing the members of Management Board
 - 2) determining the number of the Management Board members
 - 3) determining the principles of remuneration of the Management Board
 - 4) evaluation of Company's financial statements, reports of the Management Board on Company's operations in terms of their compliance with the books and documents, and proposals of the Management Board concerning the distribution of profits and losses, and then submitting the annual report on the results of these studies to Annual General Meeting.
 - 5) preparing and submitting a concise annual assessment of the Company to the Ordinary General Meeting, including an evaluation of its internal control system and Company's risk management system essential for the Company
 - 6) preparing and submitting an annual report on the activities of the Supervisory Board to the Ordinary General Meeting
 - 7) issuing opinions on matters to be covered by the General Meeting, if the Supervisory Board considers it appropriate
 - 8) selection of a senior auditor who will examine the financial statements of the Company
 - 9) approval of the By-laws of the Management Board
 - 10) expressing their consent to purchase and sale of real estate, perpetual usufruct or share on the rights mentioned above, in jointly owned property with a value exceeding 3,000,000.00 PLN (three million PLN)

- 11) expressing their consent to pay an advance dividend to shareholders at the end of fiscal year, if the Company has sufficient funds to cover the costs
- 12) expressing their consent to carry out the transaction with an affiliated entity, commissioned by the Management Board. Typical transactions are not subject to this requirement, as they are contracted on the market terms within Company's operating business with its subsidiary, in which the Company holds a majority stake.
4. The Supervisory Board appoints the Audit Committee from among its members and establishes the regulations of its operation by means of a resolution. The Audit Committee consists of at least three members, including the Chairman of the Audit Committee, appointed by the Supervisory Board for its term of office from among members of the Supervisory Board, including:
 - 1) at least one member of the Audit Committee has knowledge and skills in the industry in which PATENTUS S.A. operates or individual members in certain areas have knowledge and skills related to this industry;
 - 2) at least two members of the Audit Committee, including its Chairman, are independent from the Company, i.e. they meet the independence criteria specified in Article 129, paragraph 3 of the Act of May 11, 2017 on statutory auditors, audit firms and public supervision;
 - 3) at least one member of the Audit Committee has knowledge and skills in accounting or auditing of financial statements
5. The tasks of Audit Committee, established within the Supervisory Board include in particular:
 - 1) monitoring of:
 - a) the financial reporting process;
 - b) effectiveness of internal control systems and risk management systems as well as internal audit, including financial reporting;
 - c) performing financial audit activities, in particular carrying out the study by the audit firm, taking into account all conclusions and findings of the Audit Supervisory Commission resulting from the control carried out in the audit firm;
 - d) relations of the Company with related entities;
 - 2) controlling and monitoring the independence of the statutory auditor and the audit firm, in particular when the Company is provided by the audit firm with services other than study;
 - 3) informing the Supervisory Board about the results of the audit and explaining how the audit contributed to the reliability of financial reporting in the Company, as well as the role of the Audit Committee in the audit process;
 - 4) assessing the independence of the statutory auditor and consenting to the provision of permitted non-audit services by the auditor for the Company;
 - 5) developing a policy for selecting an audit firm to conduct the audit;
 - 6) development of a policy for the provision of permitted non-audit services by the audit firm conducting the audit, by entities associated with this audit firm and by a member of the audit firm's network;
 - 7) defining the procedure for selecting an audit firm by the Company;
 - 8) presenting to the Supervisory Board or another supervisory or controlling body, or the body referred to in Article 66, section 4 of the Accounting Act of 29 September 1994, the recommendation referred to in Article 16, section 2 of Regulation No. 537/2014, in accordance with the policies, referred to in items 5 and 6;
 - 9) submitting recommendations aimed at ensuring the reliability of the financial reporting process in the Company

§ 17

Members of the Supervisory Board receive a remuneration in the amount stated in the resolution adopted on the Annual General Meeting. In addition, Supervisory Board members are entitled to receive a reimbursement of expenses incurred in connection with the performance of their duties.

The Annual General Meeting

§ 18

1. The Annual General Meeting is convened by the Management Board.
2. The Annual General Meeting shall be held within 6 (six) months after the end of each fiscal year.
3. Extraordinary General Meeting is convened by the Management Board on its own initiative, at the written request of the supervisory Board, a shareholder or shareholders representing at least one twentieth of the share capital. The request to convene an Extraordinary General Meeting must be submitted to the Management Board in writing or in electronic form.
4. The Supervisory Board may convene an Annual General Meeting if the Management Board fails to do so within six months after the end of each fiscal year and the Extraordinary General Meeting if it deems it necessary.
5. Shareholders representing at least half of the share capital or at least half of the total number of votes in the Company may convene an extraordinary General Meeting. The shareholders appoint the Chairman of the Meeting.

§ 19

1. The General Meeting is valid, irrespective of the number of shares represented at the Meeting, subject to the mandatory provisions of law and the provisions of the Articles of Association. Resolutions are passed by an absolute majority of votes, unless the provisions of this Articles of Association or mandatory law provides otherwise.
2. Removing or desistance from further examination of the matter included in the agenda, made upon the request of shareholders, requires the adoption of the resolution by the General Meeting, after prior consent of all the shareholders who submitted such request, supported by 75% (seventy five percent) of all votes on the General Meeting.
3. A shareholder may participate in the General Meeting and exercise its voting rights in person or through a representative.
4. The General Meeting shall adopt the By-laws of the General Meeting which specifies the procedures of conducting the meeting.

§ 20

The General Meeting shall be held at the Company's headquarters, in Tychy, in Pszczyna or in Warsaw.

§ 21

1. The powers of the General Meeting include, in addition to other matters specified by law or the Articles of Association:
 - 1) appointing and dismissing the members of the Supervisory Board
 - 2) determining the number of the Supervisory Board members
 - 3) approval of the By-laws of the Supervisory Board
 - 4) determining the principles of remuneration of the Supervisory Board members
 - 5) determining the amount of remuneration of the supervisory Board members delegated to perform constant individual supervision
 - 6) adoption of the By-laws of the General Meeting
 - 7) building, usage and reduction of the capital reserve.
2. Acquisition and disposal of real estate, perpetual usufruct or share on the rights mentioned above, in jointly owned property does not require the consent of the General Meeting.

General Provisions

§ 22

1. The Company builds capital reserve to cover the balance sheet losses. 8% (eight percent) of annual profits is transferred to capital reserve, until it reaches at least 1/3 (one third) of the share capital.

2. The Company may establish other reserves to cover specific losses or expenses (capital reserve).
3. The method of usage of capital reserve is determined by the resolution adopted on the General Meeting.

Final Provisions

§ 23

The fiscal year corresponds to the calendar year.

§ 24

In the matters not regulated by this Articles of Association, mandatory provisions of law shall be applied accordingly, in particular the Commercial Companies Code.