

Pszczyna, 20th March 2022

Ladies and Gentlemen,

On behalf of the Management Board, I would like to introduce consecutive consolidated annual financial statements of the Patentus S.A Capital Group along with the separate annual financial statements of Patentus S.A.

In the preceding year, the PATENTUS S.A. Capital Group's entities generated PLN 82 562 thous. revenues from the sale of products, services, goods and materials, with the generated net profit of PLN 3 624 thous..

PATENTUS S.A. Parent Company in 2022 generated net profit of PLN 3 098 thous. with sales revenues of PLN 79 845 thous.. Compared to the corresponding period of previous year, an increase in sales revenues can be observed, which was indicated by revival in the mining industry, increased demand regarding mining machinery and equipment, as well as by the increased acquisition of purchase orders for foreign markets.

In 2022, PATENTUS S.A. Parent Company inter alia, under agreements concluded with Polska Grupa Górnicza S.A. executed transactions for the total amount of PLN 20 207 thous. plus VAT, with the highest value agreement regarding the face scraper conveyor – execution of linear and inspection segments with the internal width of the trough = 790 mm for the KWK Mysłowice – Wesola Branch with the total net amount of PLN 16 226 000.00. The second highest value agreement in 2022, was the agreement concluded with Węglokoks, where together as a consortium we supplied PGG SA with longwall conveyors for a net amount of PLN 12 356 970.00.

In 2022, the Issuer signed an agreement with Jastrzębska Spółka Węglowa S.A. for the provision to the Zakłady JSW S.A. benefit of technical service and delivery of spare parts, subassemblies and components of devices manufactured by PATENTUS S.A. for the total net value of PLN 11 508 412.20.

In 2022, PATENTUS S.A. Capital Group shall continue its very beneficial cooperation with Polska Grupa Górnicza in the scope of machinery and equipment production as evidenced by the agreements concluded yet in 2023. On 3rd January 2023, an agreement was signed for the delivery of a new longwall scraper conveyor with a longwall crusher; for the delivery of a new face scraper conveyor and the delivery of a new PZP-PT mobile tail piece for a total net amount of PLN 32 180 000.00. On 5th January 2023, an agreement was concluded for the 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 with the total net agreement value of PLN 8 830 000.00. On 14th February 2023, another agreement was also concluded for a new longwall scraper conveyor, for longwall 504 on deck 215 for PGG S.A. KWK Piast-Ziemowit Ruch Ziemowit Branch with the total net value of PLN 9 150 000.00.

In 2022, the PATENTUS S.A. Capital Group continued cooperation with the scientific community in Poland through further work on a research project co-financed from national funds entitled: "Development of innovative hybrid surface layers composed of anti-wear coatings dedicated to toothed gears toothing for drive units of conveyors intended for operation in extreme operating conditions" implemented as part of the TECHMATSTRATEG program with total project value of PLN 17 289 thous. The aforementioned project is implemented in a consortium consisting of the Silesian University of Technology, the Warsaw University of Technology, the Institute for Sustainable Technologies from Radom and the Institute of Welding from Gliwice. The 2022 was also a year that abounded in successfully completed projects. In 2022, the Group completed two research projects entitled "Development of innovative technology for the production of toothed elements with hybrid surface layers with a nano-structured base for drive units of conveyors intended for operation in extreme operating conditions" and "Development of innovative scraper conveyors with scraper conveyor with increased startability and service life" implemented under the Innovative Development Operational Program with a total project value of PLN 17 381 thous. PATENTUS S.A. Capital Group it shall continue to make intensive use of the funds offered by the European Union and implement new innovative research projects in order to further improve and strengthen its position on the both domestic and foreign market.

At the time of the present report publication, the Issuer performs without major disruptions. However, given the changes in the economic situation brought about by the armed conflict in Ukraine, the persistent state of the coronavirus epidemic and the energy crisis currently prevailing in Europe, it can be assumed that they may also have an impact on the Issuer's operations and financial result in the future.

I kindly invite you to read the attached financial statements and the report on the Company and the Capital Group performance, as well as the statutory auditor's opinion and report.

Taking this opportunity, I would like to sincerely thank all shareholders for their trust and appreciation of the Company's achievements, and all clients and contractors, in these difficult times due to the epidemic, for their cooperation as well as the trust they place in us.

Józef Duda
President of the Management Board