

Polish Financial Supervision Authority**Current report** **No 8 / 2019**Report date : 5th of April 2019

Abbreviated issuer name:

PATENTUS S.A.

Subject:

Conclusion of a significant contract.

Legal grounds:

Article 17 paragraph 1 MAR - confidential information.

Report content:

The Board PATENTUS S.A. (the "Company", "Issuer") announces that on 5th April 2019 Company received the signed contract dated 25th March 2019 ("Agreement"), concluded between the Issuer and Polska Grupa Górnicza S.A. (the "Purchaser") with the registered office in Katowice.

The subject matter of the Agreement is: Supply of new wall scraper conveyors and undercut scraper conveyors, crushers, separating devices and electrical equipment ("Subject of Contract") for PGG S.A. KWK Murcki-Staszic Branch, KWK Myslowice-Wesoła and KWK Wujek. ("Final recipients"):

- task 1 - Supply of new wall scraper conveyors,
- task no. 2 - Delivery of new under-gate scraper conveyors,
- task No. 3 - Supply of new under-wall crushers.

The value of the Agreement will amount to 50 790 000.00 PLN net.

The deadline for the implementation of the Subject of the Contract will be:

Delivery deadline - up to 20 weeks from the date of the order.

The deadline for order processing from the date of order issuance, based on the delivery schedule:

Task No. 1 - Delivery of new wall scraper conveyors

1. Delivery of a new wall scraper conveyor for KWK Murcki-Staszic - for the wall 108 deck 401/1 - required delivery time up to 20 weeks from the date of the order, desired date of completion - March 2020
2. Delivery of a new wall scraper conveyor for KWK Wujek - for the VL wall deck 405 - delivery time required up to 20 weeks from the date of the order, desired completion date - June 2019
3. Delivery of a new wall scraper conveyor for KWK Myslowice-Wesoła - for the wall 412 deck 416 Az - required delivery time up to 20 weeks from the date of order, desired date of completion - September 2019.

Task No. 2 - Delivery of new under-gate scraper conveyors:

1. Delivery of a new under wall scraper conveyor for KWK Murcki-Staszic - for the wall 108 deck 401/1- required delivery deadline up to 20 weeks from the date of order issuance, desired completion date - March 2020.
2. Delivery of a new under wall scraper conveyor for KWK Wujek - for the VL wall deck 405 - delivery time required up to 20 weeks from the date of the order, desired completion date - June 2019
3. Delivery of a new under wall scraper conveyor for KWK Myslowice-Wesoła - for the wall 412 deck 416 Az - required delivery time up to 20 weeks from the date of order, desired date of completion - September 2019.

Task No. 3 - Delivery of new under-wall crushers:

1. Delivery of a new wall-mounted crusher for KWK Murcki-Staszic - for the wall 108 deck 401/1 - required delivery time up to 20 weeks from the date of order, desired completion date - March 2020.
2. Delivery of a new wall-mounted crusher for KWK Wujek - for the VL wall deck 405 - delivery time required up to 20 weeks from the date of order, desired completion date - June 2019.

3. Delivery of a new wall crusher for KWK Myslowice-Wesoła - for the wall 412 deck 416 Az - required delivery time up to 20 weeks from the date of the order, desired date of completion - September 2019.

Warranty: The Contractor shall provide the delivered delivery of the warranty: minimum 24 months from the date of the final acceptance protocol, however, not longer than the warranty period extended by 6 months from the date of Completion Report to the ordering warehouse.

- a) Detailed warranty: PZS drive hulls and gutter systems - 3 million tons of transported spoil or 36 months from the date of commissioning at the bottom, whichever comes first; PZS attachments and chain drums - 1.5 million tons of transported spoil or 24 months from the date of commissioning at the bottom, whichever comes first; PZS drive hulls and gutter systems - 1.5 million tons of transported spoil or 18 months from the date of commissioning at the bottom, whichever comes first; PZS attachments and chain drums - 1.0 million tons of transported spoil or 18 months from the date of commissioning at the bottom, whichever comes first; gears and clutches - 24 months from the date of commissioning at the bottom; engines and other electrical devices - 24 months from the date of commissioning at the bottom; bearings for the crusher crusher drum (for longwall conveyors) - 1.5 million tons of transported spoil or 24 months from the date of commissioning at the bottom, whichever comes first; the hull of the crusher, the shaft with bearings of the crusher, the elements of the crusher route - 1.5 million tons of transported spoil or 18 months from the date of commissioning at the bottom, whichever comes first; beaters of the undercut crusher - 6 months from the date of commissioning at the bottom,
- b) Warranty for replaced or repaired under warranty components or elements of equipment excluding items for which a specific guarantee was granted - minimum 12 months from the date of service, but not less than the general guarantee;
- c) The following materials are not covered by the warranty: fuses, drive belts for crushers, oils, greases and bulbs;
- d) Guarantee for fast-wearing elements with reduced lifespan, ie ejectors and ejector plates, overload protectors, replacement axles, clutch inserts, O-rings and seals - 12 months from the date of the final acceptance protocol, however not longer than 24 months from the date of completeness of delivery to the Ordering Party's warehouse.

Contractual penalties:

The Employer may charge the Contractor with contractual penalties:

- a) for withdrawal from the Agreement by one of the parties for reasons attributable to the Contractor in the amount of 10% of the net value of the part of the task to which the withdrawal applies;
- b) in the amount of 0.1% of the net value for each day of delay above the deadline for completion specified in § 8 to the 10th day inclusive,
- c) in the amount of 1% of net value for each day of delay over 10 days above the deadline for implementation specified in §8,
- d) in the amount corresponding to the number of days of delay as in b and c, for delays in delivery of the required documents for collection,
- e) in the amount of 0.01% of the net value of the part of the task concerned, for reporting warranty service at the headquarters of the Ordering Party for repair within more than 8 hours from notification, for each hour of delay,
- f) in the amount of 0.2% of the net value of the part of the task concerned, for not removing the reported failure within 24 hours from notifying the Contractor, for each day of delay,
- g) the value of accrued contractual penalties resulting from the provisions of point from b) to f) may not exceed 10% of the net value of the Agreement.

The Contractor may charge the Ordering Party a contractual penalty for withdrawing from the Agreement by one of the parties for reasons attributable to the Ordering Party in the amount of 10% of the net value of the unrealized part of the Agreement in the scope of the task to which the withdrawal applies, which shall not apply to termination, withdrawal or termination of the Agreement. Irrespective of contractual penalties, the parties may claim damages on general terms of the amount of actual losses incurred, up to the gross value of the Contract.

Cancellation, termination or withdrawal of the Agreement:

1. The parties may terminate the Agreement at any time by agreement of the parties.
2. In the event of non-performance or improper performance of the obligation under the Agreement by one of the parties, after the other party designates an appropriate additional deadline to perform the Agreement, the other party in case of ineffective expiration of that period, will be entitled to withdraw from the Agreement ex nunc (from now). If the parties' services are divisible and one of the parties allows delay only for a part of the benefit, the right to withdraw from the contract to the other party is limited, at its option, either to this part or to the rest of the unfulfilled benefit. This party may also waive the whole, if the partial performance would not matter to it because of the nature of the obligation or because of the intended purpose of the contract, aware of the party who is in default.
3. The Contracting authority has the right to withdraw from the Agreement ex nunc (from now) in the event of a breach by the Contractor of the law, resulting in a threat to the security of the property of the Employer or health, life of employees. This right may be exercised by the Contracting Authority within 30 days of becoming aware of the law by the Contractor of the law resulting in the above mentioned threats. In this case, the Contractor shall only be entitled to the remuneration due to him for the performance of the part of the Contract.
4. The Ordering Party reserves the right to unilaterally withdraw from the Contract ex nunc (from now) in the case of:
 - 1) significant change in the circumstances causing its performance is not in the public interest, which could not have been foreseen at the conclusion of the Agreement. Withdrawal can take place within 30 days of becoming aware of the above circumstances. In this case, the Contractor shall only be entitled to the remuneration due to him for the performance of the part of the Contract.
 - 2) losing by the Contractor owned rights, to perform activities or activities covered by the subject of the contract, if the law imposes an obligation to hold them
5. The Purchaser has the right to terminate the ex nunc Agreement (from now) with a notice period of not less than 30 days and no more than 90 days, specified in a separate statement, in the case of:
 - 1) limitation of production or reorganization in organizational units of the Employer, causing the possibility of using the released means of production or human potential to independently implement by the Employer services covered by the Agreement
 - 2) changes in the organizational structure of the Employer, resulting in the fact that the benefit covered by the Agreement can not be implemented
 - 3) failure to perform or improper performance of the contract due to reasons attributable to the Contractor, with the following:
 - a) non-performance of the order means repeated evasion by the Contractor from the implementation of the Agreement in whole or in part
 - b) improper performance of the contract shall mean the performance of the contract in a manner inconsistent with the manner specified in the Contract, resulting in the fact that the obtained effect of the contract is unsuitable for specific purposes planned by the Employer.
6. The provisions of para. 1-5 do not exclude the possibility of withdrawing from the Agreement under the provisions of the Civil Code

PATENTUS SPÓŁKA AKCYJNA

(full issuer name)

PATENTUS S.A.

(abbreviated issuer name)

Electro engineering industry (ele)

(sector acc. to WNE classification)

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(zip code)

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11

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638-14-35-033

(Vatin)

273585931

(National Business Registry Number)

SIGNATURES OF THE COMPANY'S REPRESENTATIVES:

Date

Name and Surname

Position/Function

Signature

5th of April 2019

Józef Duda President of the Management Board

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