

Pszczyna, 20th March 2024

Ladies and Gentlemen,

On behalf of the Management Board, I would like to present 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 2024 fiscal year, the entities of the PATENTUS S.A. Capital Group generated PLN 99,202 thousand from the sale of products, services, goods and materials, with the generated net profit of PLN 7,840 thousand.

PATENTUS S.A., the Parent Company recorded a net profit of PLN 8,475 thousand in 2024, with sales revenues of PLN 96,216 thousand. Compared to the corresponding period of the previous year, a decrease in sales revenues was observed, primarily due to reduced demand for mining machinery and equipment.

In 2024, PATENTUS S.A., the Parent Company, executed inter alia, transactions based on orders placed by Polska Grupa Górnicza S.A., with a total value of PLN 58,322 thousand plus VAT, with the highest-value agreements including the following:

1. Delivery of a new beam stage loader for VI-E-E1 coal deposit in seam 712/1-2+713/1-2 for PGG S.A. KWK ROW Ruch Rydułtowy Branch for a total net value of PLN 8,830,000.00;
2. Delivery of three belt conveyors with a belt width of 1200mm (mechanical part) for Polska Grupa Górnicza S.A. executed in a consortium comprising: PATENTUS S.A. (acting as the Consortium Leader) and GRENEVIA S.A. (Consortium Member) with a total net value of PLN 27,100,000.00;
3. Delivery of a new beam stage loader for the 597-coal deposit in seam 325/1 for Polska Grupa Górnicza S.A. KWK Bolesław Śmiały Branch with a total net value of PLN 8,890,000.00.

Also in 2024, the Company executed orders for Jastrzębska Spółka Węglowa S.A. totaling PLN 5,977 thousand, including:

1. Delivery of spare parts for the PAT-06 scraper conveyor; delivery of spare parts for PAT-UPM-1 shifting equipment; delivery of spare parts for PAT-200 scraper conveyor; delivery of module fasteners along with working modules for PAT-1 shifting equipment for a total net value of PLN 876,519.11.
2. Delivery of a PAT-MKPL15 i=24, 686 320 kW gearbox, for a total net value of PLN 629,700.00.
3. Delivery of troughs for PAT-06 scraper conveyor along with troughs' routing for the PAT-200 scraper conveyor for a total net value PLN 760,300.00.

In 2025, similarly to the previous year, the PATENTUS S.A. Capital Group will continue cooperation with the Polish scientific community through ongoing work on a research project co-financed by national funds. The project titled *Development of Innovative Hybrid Surface Layers Composed of Anti-Wear Coatings Dedicated to Gears Toothing for Drive Units of Conveyors Intended for Operation in Extreme Operating Conditions* is implemented under the TECHMATSTRATEG program with the total project value of PLN 17,289 thousand with PLN 15,368 thousand in co-financing to be distributed among the consortium members. 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.

In the previous year, PATENTUS S.A. received funding under the Regional Operational Program of the Silesian Voivodeship for 2021–2027, aimed at covering energy transformation costs for companies operating within the Silesian region. The total value of the project amounts to PLN 60,479 thousand, of which PLN 23,648 thousand represents the granted subsidy. The project involves the construction of two production halls at the Company's facilities in Pszczyna and Jankowice, the acquisition of six buildings along with the corresponding land, the purchase of nine new machining tools, two forklift trucks, and additional measuring and welding equipment.

As of the date of preparing this annual report, the Company had completed and commissioned one production hall, launched two horizontal boring machines, and signed agreements for the acquisition of all machinery planned under the project, including a state-of-the-art shaft grinding machine. Completion of all investments under the project is scheduled for early 2026.

At the time of the present report publication, the Issuer is operating without major disruptions. However, given the ongoing changes in the economic landscape caused by the armed conflict in Ukraine and the current energy crisis in Europe, it can be assumed that these developments may impact the Issuer's future operations and financial performance.

I kindly invite you to review the attached financial statements, the report on the Company's and the Capital Group's 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, for their cooperation and continued trust in these challenging times.

Józef Duda
President of the Management Board