

## **Current Report No. 12/2019**

**Date: 2019-07-18**

**Subject:** Conclusion of the agreement with Legrand Electric Limited

Silvair, Inc. (the “**Company**”) announces that on 18 July 2019, the Company’s subsidiary - Silvair sp. z o.o. (“**Silvair**”) concluded with Legrand Electric Limited (“**LEGRAND**”) with its registered office in London, the United Kingdom a supply, license and service agreement, under which Silvair agreed to supply Silvair Firmware software (the “**Firmware**”) with the set of tools to implement it on a production line (the “**Tools**”), Silvair also agreed to grant a license for the use of the Firmware and provide related services (the “**Supply Agreement**”).

Under the Supply Agreement, Silvair agreed to provide support services regarding the Firmware and the Tools pursuant to the terms specified in the Supply Agreement. Silvair’s remuneration includes fees for the Firmware licenses’ and Tools’ maintenance on the terms specified in the Supply Agreement.

Under the Supply Agreement, LEGRAND agreed, in particular, to take specified actions as part of the cooperation with Silvair related to testing and producing lighting components using the Firmware. In connection with the above, Silvair granted LEGRAND a non-exclusive, worldwide, non-transferable (except for the sublicenses specified in the Supply Agreement) license for the Firmware.

The Supply Agreement does not specify the financial obligations of the parties, in a way which would make it possible to estimate their impact on the future financial situation of the Company and the amount of its revenues at this stage. If LEGRAND purchases a material number of licenses or the Tools, the Supply Agreement will become a significant source of revenue for the Company.

The Supply Agreement was signed for a period of 5 years and cannot be terminated earlier, except in cases specified in the Supply Agreement related to, among others, breaches of the Supply Agreement, decline in the number of activated products below the level agreed upon in the Supply Agreement or launch of proceedings associated with insolvency, bankruptcy or similar proceedings in respect to the other party.

The Supply Agreement is governed by the Polish law and any disputes arising out of it will be resolved by arbitration.

**Legal basis:** Article 17 Section 1 of the MAR Regulation – inside information.