

MERGER PLAN

FOR

APATOR SPÓŁKA AKCYJNA

WITH ITS REGISTERED OFFICE IN TORUŃ

KRS [National Court Register] No.: 0000056456

(ACQUIRING COMPANY).

AND

FABRYKA APARATURY POMIAROWEJ "PAFAL" SPÓŁKA AKCYJNA

WITH ITS REGISTERED OFFICE IN ŚWIDNICA

KRS No.: 0000057162

(TARGET COMPANY)

Agreed, adopted and signed on 24 March 2025.

RECITALS

Whereas:

- The companies involved in the merger belong to Apator Group of Companies (hereinafter: Apator Group) understood as Apator S.A. (parent entity) together with subsidiaries of Apator S.A.;
- Apator S.A. is the sole shareholder of Fabryka Aparatury Pomiarowej "PAFAL" S.A.;
- The Management Boards of the Companies see the need for a merger in order to streamline and simplify the structure of companies within the Apator Group, in which Apator S.A. is the parent company.
- The integration of the Apator Group is one of the stages of the Apator Group Strategy for 2024–2028 aimed at increasing the efficiency of the sales strategy, product life cycle management and innovation, as well as increasing the competitiveness and cost efficiency of the Apator Group.
- this merger aims to simplify the structure of the Apator Group by concentrating manufacturing competencies and strengthening synergies, which will enhance management efficiency and optimise costs. The merger would also aim to increase the efficiency of management of other entities in the Group, ensure synergies by striving to centralise economic functions in a single entity, reduce the operating costs of the Apator Group and companies within the Group, including in particular management costs, labour costs and expenses for the supply of materials and provision of services, and in particular those aimed at simplifying relations and settlements within the Apator Group.
- The Management Boards of the Companies see the possibility of achieving the aims indicated in the preceding point through the merger, without any significant consequences related to this operation in terms of the impact on the reporting and financial data of the Acquiring Company and the Apator Group, i.e. by carrying out the merger in a simplified manner, pursuant to the provisions of Article 516 § 6 of the Commercial Companies Code, including due to the possibility of applying the pooling of interests method provided for in Article 44c in conjunction with Article 44a(2) of the Accounting Act of 29 September 1994 (consolidated text: Dz. U. /Journal of Laws/ of 2023, item 120 as amended), according to which, in the event of a merger of

companies which does not result in the loss of control over them by their existing shareholders, it is possible to apply the pooling of interests method referred to in Article 44c of the above-mentioned Accounting Act.

On 24 March 2025, the Management Boards of the merging Companies agreed, adopted and signed the following merger plan in accordance with the provisions of Article 498 in conjunction with Article 499 of the Act of 15 September 2000 – Commercial Companies Code (consolidated text, Dz. U. /Journal of Laws/ of 2024, item 18, as amended, hereinafter also referred to as the "CCC"):

1) Type, name and registered office of each of the merging companies and the method of merger

A. The merger involves:

The Acquiring Company

Apator Spółka Akcyjna with its registered office in Toruń, address: ul. Gdańska 4A lok. C4, 87-100 Toruń, entered in the Register of Entrepreneurs of the National Court Register kept by the District Court in Toruń, 7th Commercial Division of the National Court Register under KRS [National Court Register] No.: 0000056456, NIP [Tax Identification Number]: 8790166896, REGON [Polish Business Registry Number]: 870037630, share capital in the amount of PLN 3,264,707.30, paid in full, Management Board: President of the Management Board Maciej Wyczesany, Member of the Management Board Łukasz Zaworski (hereinafter: Apator S.A. or the Acquiring Company).

The Acquiring Company is a public company within the meaning of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (consolidated text, Dz. U. /Journal of Laws/ of 2024, item 620, as amended) (hereinafter: the "Act on Offering"), whose shares are admitted to trading on a regulated market – the Warsaw Stock Exchange S.A.

and

The Target Company:

Fabryka Aparatury Pomiarowej "PAFAL" Spółka Akcyjna with its registered office in Świdnica, address: ul. Łukasińskiego 26, 58-100 Świdnica, entered in the Register of Entrepreneurs of the National Court Register by the District Court for Wrocław-Fabryczna in Wrocław, 9th Commercial Division of the National Court Register, KRS: 0000057162, NIP: 8840007758, REGON: 890530639, share capital PLN 100,004.22, paid in full, Management Board: President of the Management Board Krzysztof Malec (hereinafter: PAFAL S.A. or the Target Company)

The Acquiring Company holds 100% of the shares in the Target Company (sole shareholder).

B. Method of merger:

The merger will take place pursuant to Article 492 sec. 1 item 1) of the CCC, i.e. by transferring all the assets of the Target Company to the Acquiring Company.

The merger will take place without increasing the share capital of the Acquiring Company and without issuing new shares in the capital of the Acquiring Company.

As a result of the merger, the Acquiring Company will assume all rights and obligations of the Target Company, including ownership of real estate, and the Target Company will be dissolved without liquidation proceedings on the date of registration of the merger in the Register of Entrepreneurs of the National Court Register by the court competent for the registered office of the Acquiring Company.

Due to the fact that the Acquiring Company holds 100% of shares in the Target Company, the merger will be carried out in a simplified manner pursuant to Article 516 § 6 of the CCC, and therefore:

- a) the merger will be carried out without the exchange of shares of the Target Company for shares of the Acquiring Company, and pursuant to Article 516 § 6

sentence two of the CCC, the provisions of Article 499 § 1 items 2-4 of the CCC shall not apply and, consequently, the following have not been specified in this Merger Plan:

- the exchange ratio of the Target Company's shares for the Acquiring Company's shares or the amount of additional payments (exclusion of the application of Article 499 § 1 item 2 of the CCC)
- rules governing the allocation of shares in the Acquiring Company (exclusion of the application of Article 499 § 1 item 3 of the CCC)
- the date from which the shares in the Acquiring Company give the right to participate in the profit of the Acquiring Company (Article 499 § 1 item 4 of the CCC);

b) pursuant to Article 516 § 6 sentence two of the CCC, the provision of Article 494 § 4 of the CCC shall not apply; according to this provision, as of the date of the merger, the shareholders of the target company or companies merging by the establishment of a new company become shareholders of the acquiring company or the newly established company;

c) pursuant to Article 516 § 6 sentence one, in conjunction with Article 516 § 5 of the CCC, for merger through acquisition covered by this Merger Plan, i.e. where the Acquiring Company holds shares in the Target Company representing 100% of the Target Company's share capital, Article 501-503, Article 505 § 1 items 4-5, Article 512 and Article 513 of the CCC shall not apply, and therefore:

- The Management Boards of the merging companies shall not prepare a written report justifying the merger, its legal basis and economic justification, in particular the share exchange ratio referred to in Article 499 § 1 item 2 of the CCC (exemption from the obligation under Article 501 § 1 of the CCC);
- The Management Boards of the merging companies are not required to inform the Management Boards of the other companies so that they can inform the shareholders' meetings or general meetings of any material changes in assets and liabilities that have occurred between the date of preparation of the merger plan and the date of adoption of the merger resolution (exemption from the obligation under Article 501 § 2 of the CCC);
- an examination of the merger plan by an expert with regard to its correctness and reliability, the appointment of an expert, and the determination of the expert's

remuneration by the registry court are not required and will not be carried out (exemption from the obligation under Article 502 of the CCC,

- an expert opinion from the examination of the merger plan with regard to its correctness and reliability is not required and will not be drawn up (exemption from the obligation under Article 503 of the CCC);

- in view of the fact that no reports of the Management Boards of the merging Companies are prepared for the purposes of the merger and no expert opinion is drawn up, and pursuant to Art. 516 § 6 sentence one, in conjunction with Article 516 § 5, in conjunction with Article 505 § 1 item 4-5 of the CCC, the shareholders of the merging Companies are not entitled to inspect these documents;

- pursuant to Article 516 § 6 sentence one, in conjunction with Article 516 § 5, in conjunction with Article 512 and 513 of the CCC, the provisions concerning the liability of Members of the Management Board and Supervisory Boards of the merging Companies towards the shareholders of these Companies, as well as the liability of the expert towards the merging Companies and their shareholders, shall not apply;

d) pursuant to Article 516 § 6 sentence two of the CCC, in the present case, i.e. acquisition by the Acquiring Company of its single-member company, the announcement or publication of the merger plan referred to in Article 500 § 2 and 2¹ of the CCC and making available the documents referred to in Article 505 of the CCC must take place at least one month before the application for registration of the merger is submitted;

(e) pursuant to Article 499 § 4 of the CCC due to the fact that the Acquiring Company, as a public company, in accordance with the provisions of the Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies, publishes and makes available to its shareholders semi-annual financial statements, the Acquiring Company is not required to prepare information on the accounting status of the Acquiring Company for the purposes of the merger, and therefore a statement containing the relevant information on the accounting status of the Acquiring Company is not required and will not be attached to this merger plan.

In view of the fact that Apator S.A. is a public company and, pursuant to Article 516 § 1 sentence two of the CCC, when carrying out the merger covered by this merger plan,

it is not possible to apply the simplification consisting in waiving the adoption of the resolution referred to in Article 506 of the CCC (resolutions of the merging Companies on the merger), the General Meeting of Apator S.A. and the General Meeting of PAFAL S.A. will be required to adopt resolutions on the merger. The draft resolutions are attached to this Merger Plan.

2. Exchange ratio of the Target Company's shares for the Acquiring Company's shares

Not applicable. Exclusion of the application of Article 499 § 1 item 2 of the CCC pursuant to Article 516 § 6 of the CCC.

3. Rules governing the allocation of shares in the Acquiring Company

Not applicable. Exclusion of the application of Article 499 § 1 item 3 of the CCC pursuant to Article 516 § 6 of the CCC.

4. The date from which the shares give the right to participate in the profit of the Acquiring Company

Not applicable. Exclusion of the application of Article 499 § 1 item 4 of the CCC pursuant to Article 516 § 6 of the CCC.

5. Rights granted by the Acquiring Company to partners (shareholders) and persons enjoying special rights in the Target Company

The Acquiring Company does not intend to grant any rights to partners (shareholders) or persons enjoying special rights in the Target Company.

6. Special benefits for members of the governing bodies of the merging companies and other persons involved in the merger, if granted

No special benefits in the Acquiring Company will be granted to members of the governing bodies of the merging companies or to other persons involved in the Merger.

7. Other provisions

Due to the fact that the share capital of the Acquiring Company has not been increased and that the merger does not give rise to any new circumstances requiring disclosure in the Articles of Association of the Acquiring Company, and no other amendments thereto are proposed, no amendments to the Articles of Association of the Acquiring Company are anticipated in connection with the merger.

The Merger Plan will not be announced in Monitor Sądowy i Gospodarczy (Court and Commercial Gazette) due to its publication in accordance with Article 500 § 2¹ in conjunction with Article 516 § 6 of the CCC, on the Companies' websites. The Merger Plan will be made available free of charge to the public on the websites of the companies until the end of the General Meeting of the Acquiring Company and the General Meeting of the Target Company at which the resolution on the Merger is to be adopted.

Employees of the Target Company in connection with the transfer of the Target Company's workplace to the Acquiring Company, pursuant to Article 23¹ of the Act of 26 June 1974 – Labour Code (consolidated text, Dz. U. /Journal of Laws/ of 2025, item 277.), will become employees of the Acquiring Company, which, by operation of law, will become a party to the existing employment relationships.

Due to the fact that the Acquiring Company and the Target Company belong to the same capital group, the Apator Group, the merger of the Companies does not require, pursuant to Article 14 item 5 of the Act on Competition and Consumer Protection of 16 February 2007 (consolidated text, Dz. U. /Journal of Laws/ of 2024, item 1616) a notification of the intent to concentrate to the President of the Office of Competition and Consumer Protection.

It is the mutual intention of the Acquiring Company and the Target Company to hold, within the same period (within one month), a General Meeting of the Acquiring Company and a General Meeting of the Target Company with an agenda including, among other things, the adoption of a resolution on the merger.

8. Appendices to the Merger Plan

The following appendices are attached to the Merger Plan:

- 1) **Appendix No. 1** – Draft resolution of the General Meeting of PAFAL S.A. with its registered office in Świdnica (Target Company) on the merger with Apator S.A.,
- 2) **Appendix no. 2** – Draft resolution of the General Meeting of Apator S.A. with its registered office in Toruń (Acquiring Company) on the merger with its subsidiary PAFAL S.A. with its registered office in Świdnica,
- 3) **Appendix no. 3** – Determination of the value of the assets of PAFAL S.A. (Target Company) as at 28 February 2025,
- 4) **Appendix No. 4** – Statement containing information on the accounting status of PAFAL S.A. (Target Company) prepared for the purposes of the Merger as at 28 February 2025, prepared using the same methods and in the same format as the last annual balance sheet.

Signed on 24 March 2025

On behalf of Apator S.A.:

Maciej Wyczesany – President of the Management Board

Łukasz Zaworski – Member of the Management Board

On behalf of PAFAL S.A.:

Krzysztof Malec – President of the Management Board

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