

Revised Strategy Apator Group 2025



Challenges of the modern world

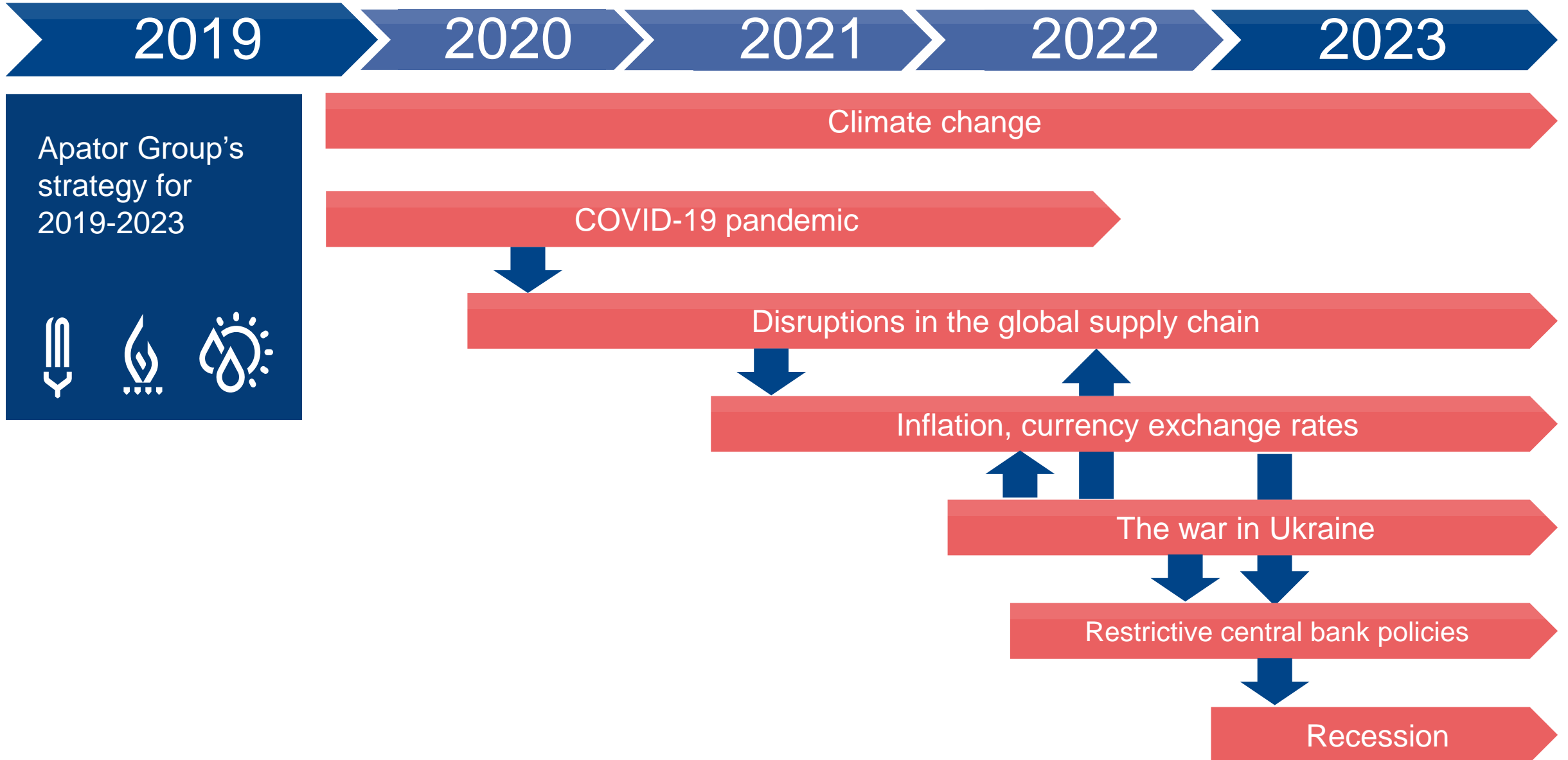


Today we face challenges unknown to our predecessors. Climate change, COVID-19, the war in Ukraine and the new Global Order that is being born before our eyes are irreversibly changing our lives. We all must respond to these challenges. Each of us should use our competencies and opportunities to save our planet and make our home, Europe, a safe and friendly place to live today and in the future.

It was clear that our mission and goals had to adapt to the new challenges. We remain the European leader in providing hardware and software solutions in the field of Smart Metering and Energy Management. Our experience compels us to actively participate in the process of energy transformation that is taking place in Europe and the world.



Strategy 2019-2023



Strategic directions of the EU policy



REPowerEU

Reducing dependence on Russian fossil fuels and accelerating the energy transformation

APATOR

CONSERVATION



DIVERSIFICATION

APATOR

ACCELERATING RES



INVESTMENTS AND
REBUILDING

APATOR

ECODESIGN for sustainable products

The new regulation will improve the circularity, energy efficiency and other aspects of the environmental sustainability of EU products.

REPowerEU - the new EU funding strategy



EUR 29 billion for additional investments in the electricity grid



EUR 37 billion to increase the production of biomethane



EUR 56 billion on energy efficiency and heat pumps by 2030



EUR 41 billion, to adapt industry to use less fossil fuels by 2030



EUR 113 billion until 2030, including:

- for renewable sources, **86 billion**
- for key hydrogen infrastructure, **27 billion**



210 billion euro until 2027 r.



EUR 10 billion for investments to import enough LNG and for gas transmission by 2030



EUR 1,5-2 billion for investments ensuring the security of oil supplies



Source:



Clean energy, clean planet

Energy management - solutions for everyone

Today, **each of us must take responsibility for energy management.** Every individual, family, but also companies and organizations - all must control how they use energy and conserve it as much as possible. At the same time, each of us should have the right to produce and share energy with other members of our society.

We
offer our
expertise

We develop
advanced
technologies

We provide tools
for energy
production and
management



Mission

Today...

our technologies enable the management of valuable natural resources and support innovative energy companies in meeting the challenges of the energy transformation.

Our mission is to disseminate advanced technologies among entrepreneurs and society. We create tomorrow's solutions for active and informed market participants who care about the environment, the planet, and future generations so that we can all independently produce, manage, share green energy and take care of natural resources.

Green technology for your business and home

Strategic opportunities

DISTRIBUTED ENERGY, ELECTROMOBILITY AND RES

DISTRIBUTED MICROENERGY

Heating/air conditioning

IoT control

Energy management

LARGE-SCALE MACROENERGY

Energy storage

EV charging infrastructure

Systems supporting self-consumption

Smart meters and controllers

Others

ECOLOGICAL GASES AND FUELS

Hydrogen measurement

Biogas measurement

WATER

Ultrasonic water meters

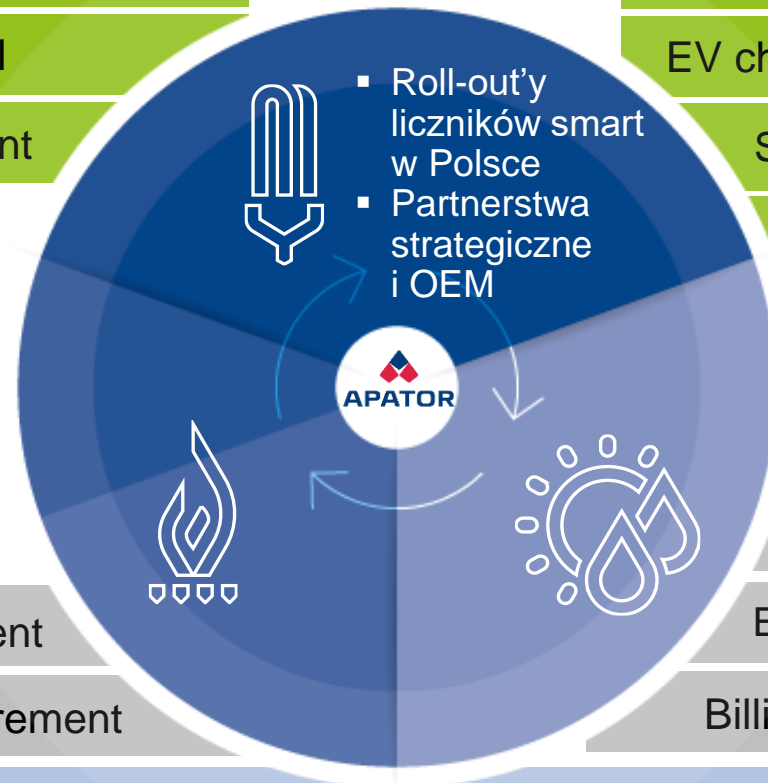
Efficient management of water resources

Billing/Services (SMAAS)

Utility media management – energy efficiency

Cloud energy services – DAAS/DSM/DSR

New foreign markets



Our clients today and tomorrow

TODAY

- Utilities
- Industry
- Industry enterprises (wholesalers, installers, designers, integrators)

TOMORROW

- Business (small companies and businesses)
- Self-sufficient energy communities (clusters and cooperatives)
- Eco-friendly cities and municipalities
- Conscious consumers and prosumers

Electricity Unit



Electricity Unit 2025

ELECTRICITY METERING



Maintaining the position of a leader in Poland and a key supplier in the EU

SWITCHGEAR



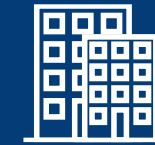
Further expansion of operations on Western European markets

AUTOMATION



Strengthening the market position by developing the distributed energy offer

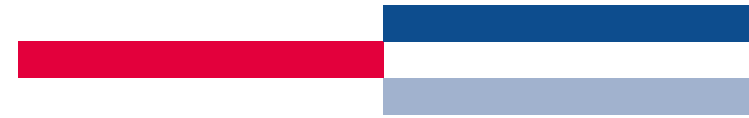
ICT



Expanding activities beyond the energy sector

Distributed energy, electromobility and renewable energy

Apator in the 3D power industry

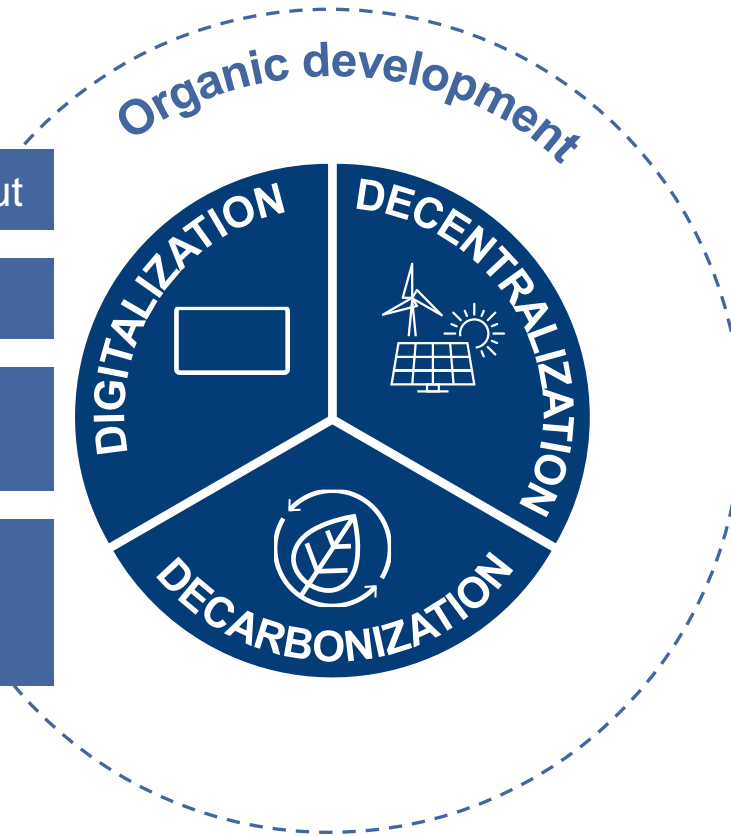


Participation in the Polish smart meter rollout

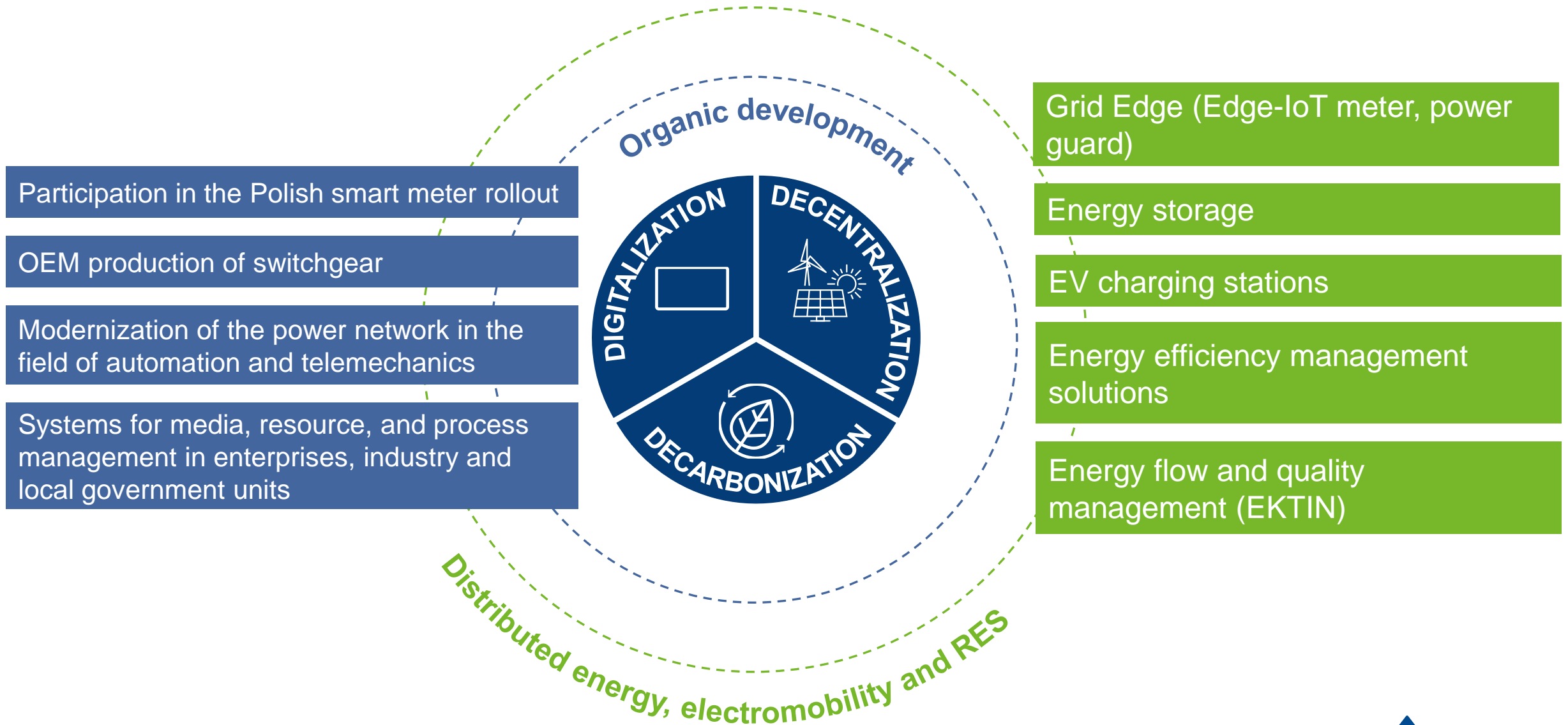
OEM production of switchgear

Modernization of the power network in the field of automation and telemechanics

Systems for media, resource, and process management in enterprises, industry and local government units



Apator w energetyce 3D



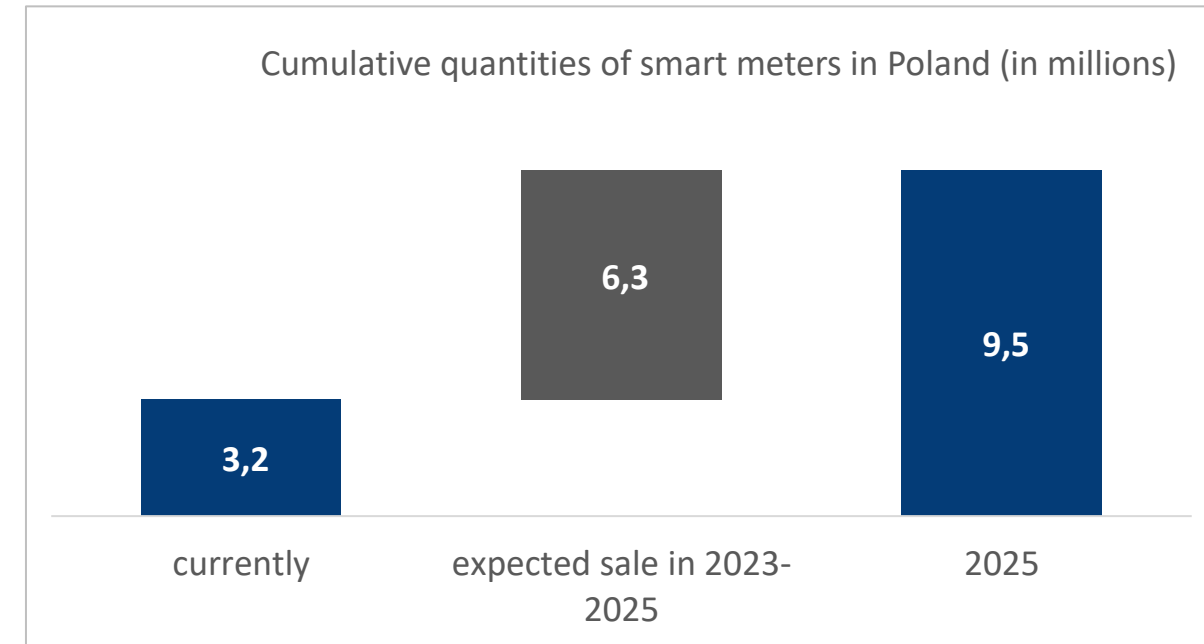
Smart meter roll-out in Poland



Purpose of the roll-out: minimum 80% of smart meters installed in Poland by 2028

Roll-out status in Poland

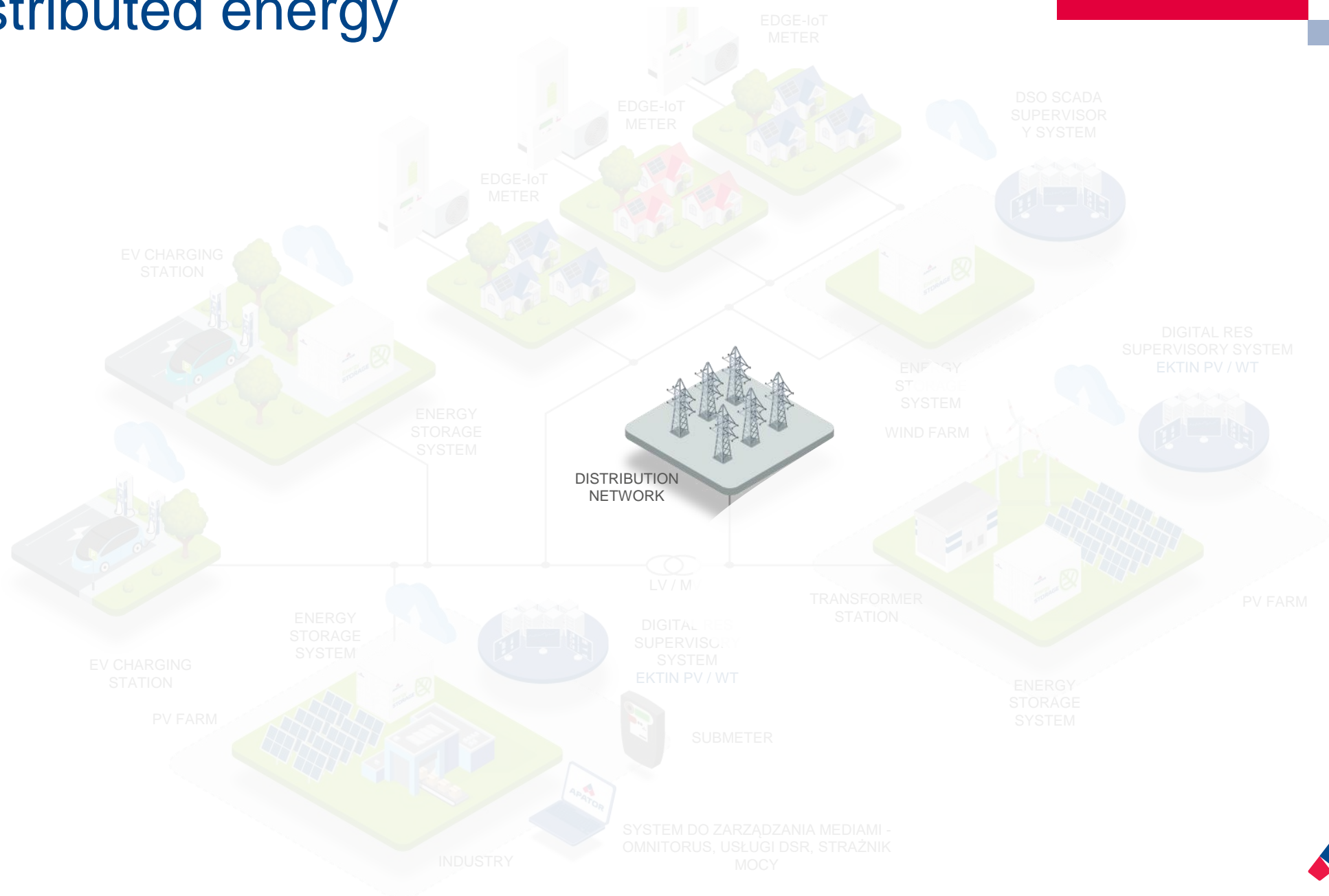
- Currently 3.2 million smart meters have been installed (approx. 15% of total replacements)
- The end of the era of traditional electronic meters
- Each DSO implements its own roll-out schedule in various communication technologies
- Dividing deliveries between 2-3 suppliers



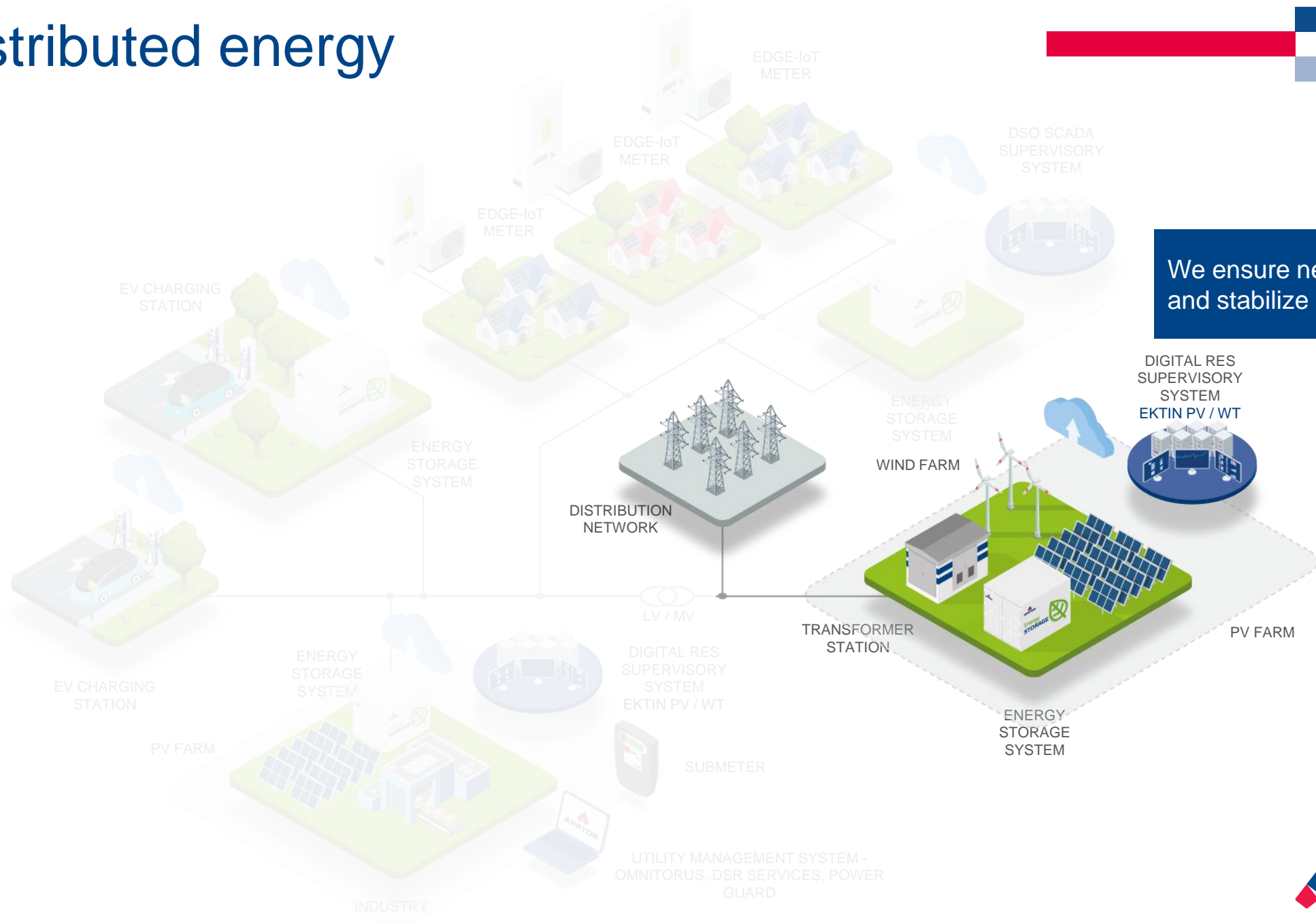
Goals of Apator Group

- Increase in revenues and volumes of smart meters in the product offer
- Maintain a market share of 50%

Distributed energy



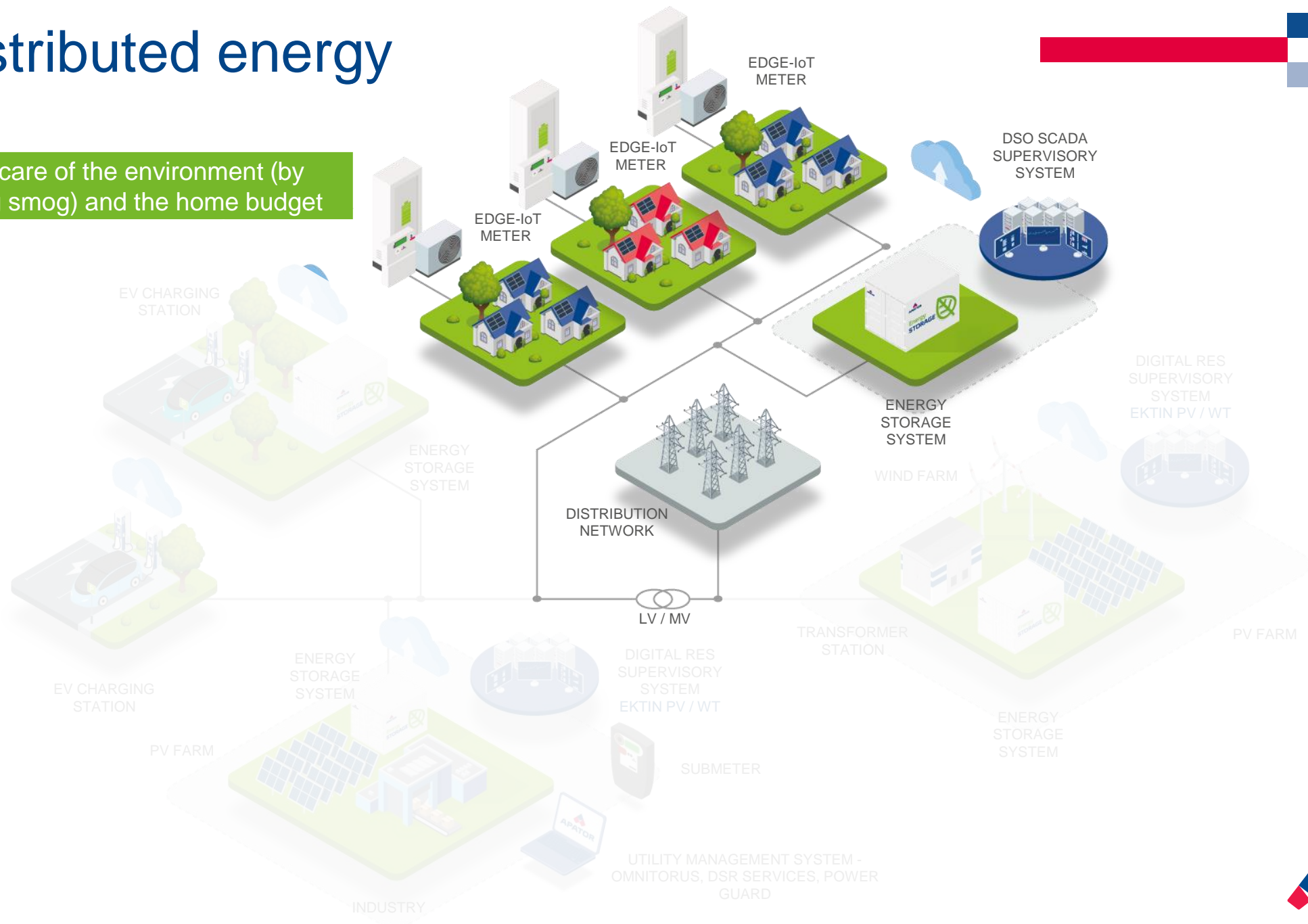
Distributed energy



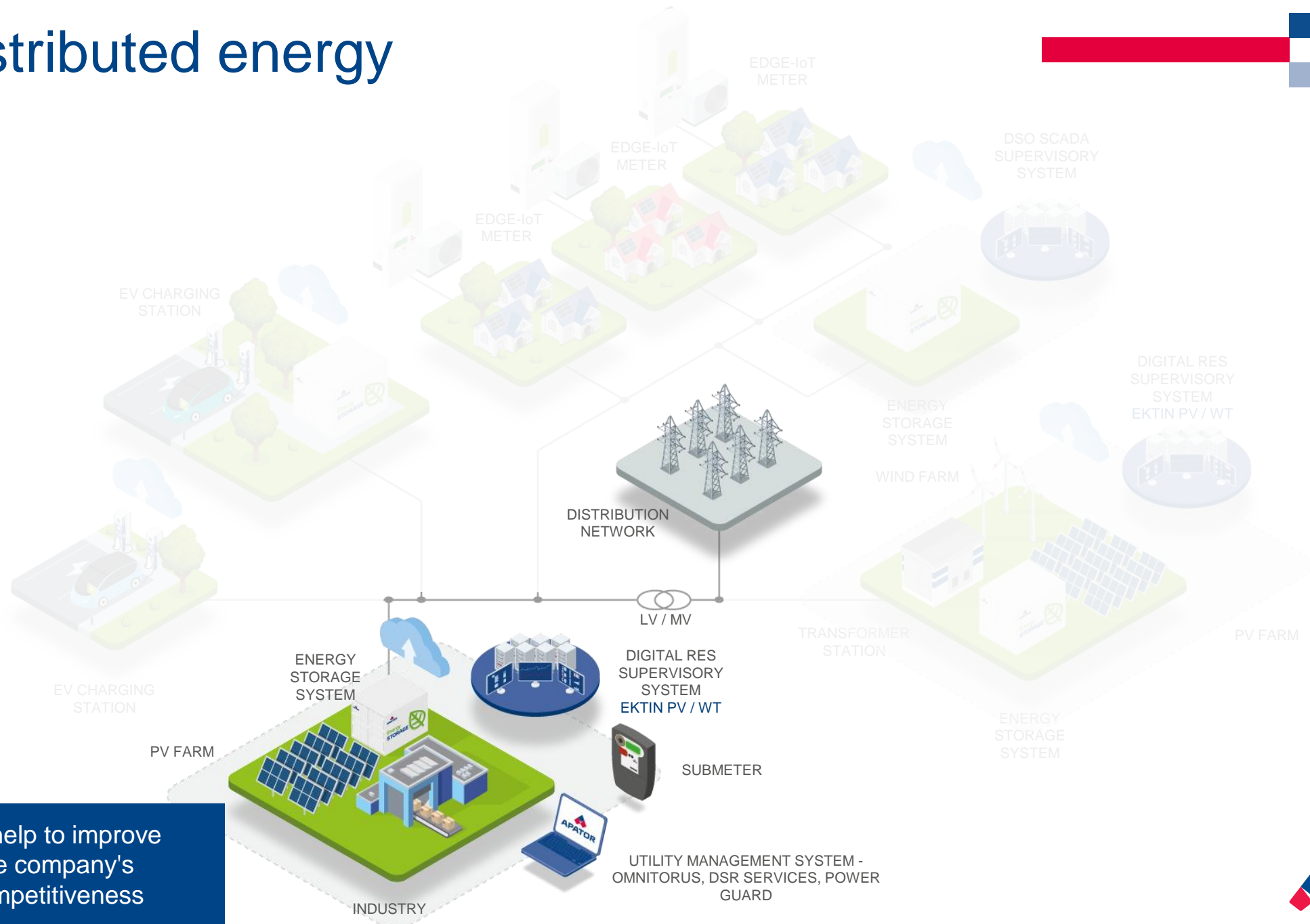
We ensure network security and stabilize its parameters

Distributed energy

We take care of the environment (by eliminating smog) and the home budget



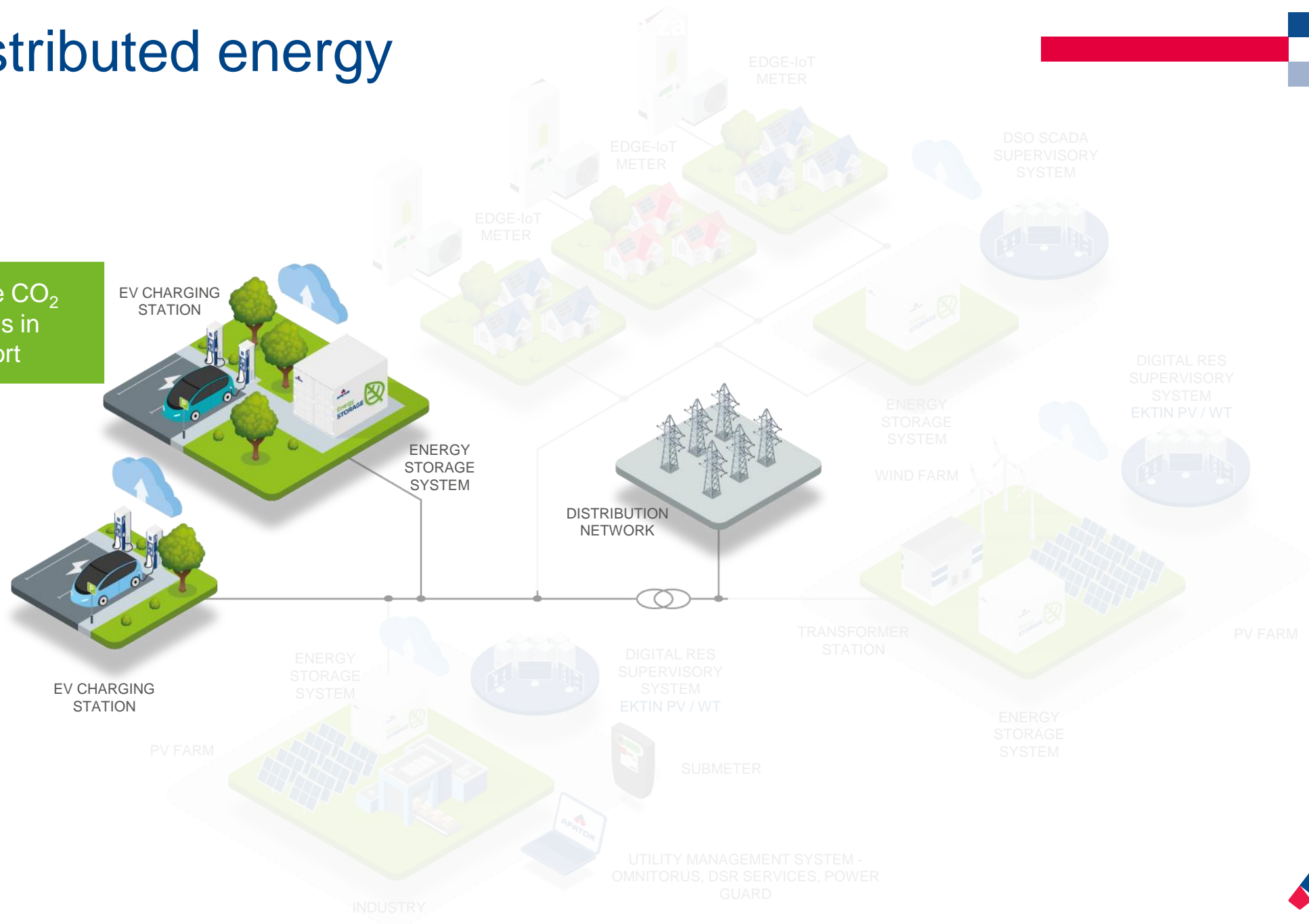
Distributed energy



We help to improve
the company's
competitiveness

Distributed energy

We reduce CO₂ emissions in transport

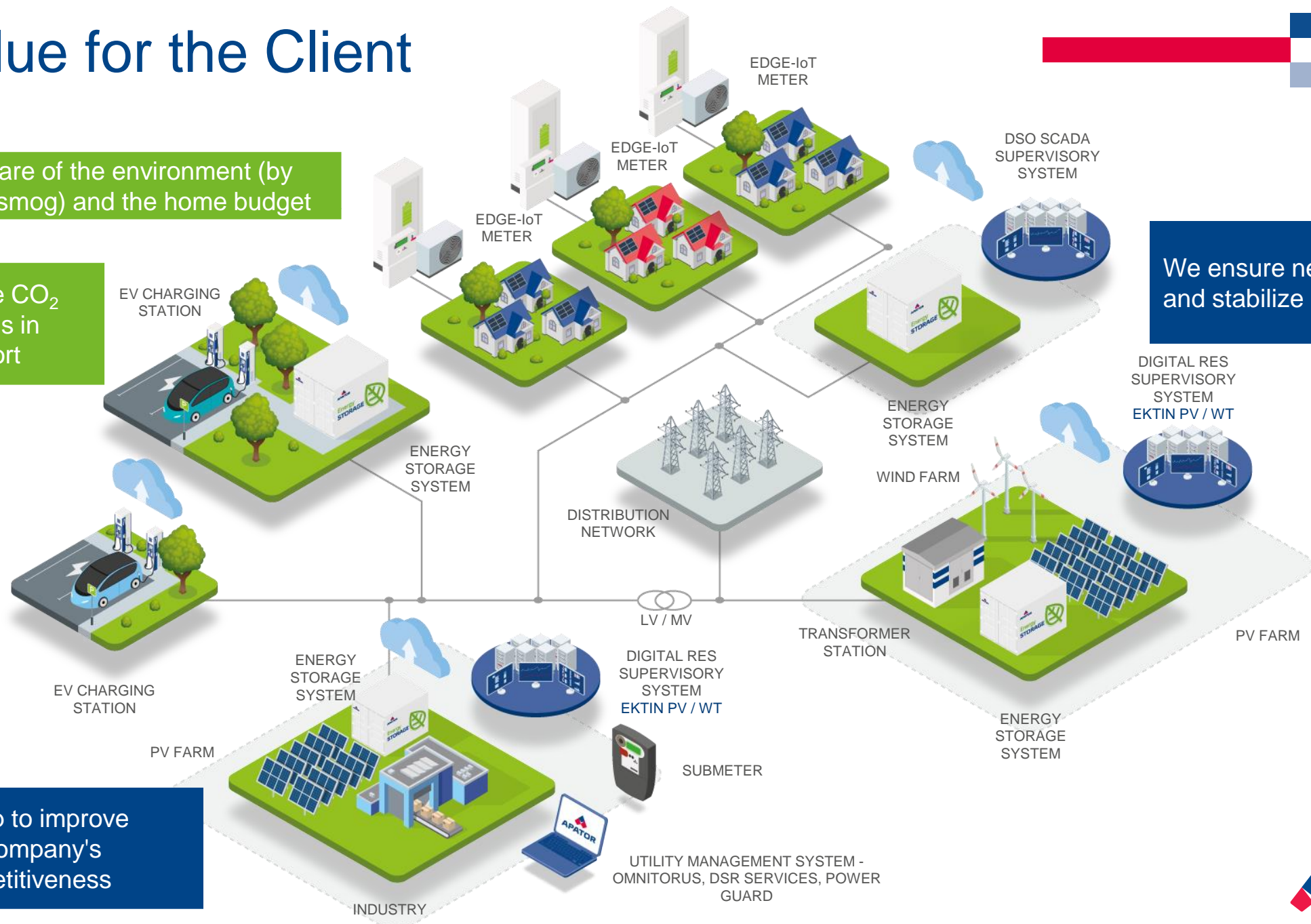


Value for the Client

We take care of the environment (by eliminating smog) and the home budget

We reduce CO₂ emissions in transport

We help to improve the company's competitiveness



We ensure network security and stabilize its parameters

Customer segmentation

PROFESSIONAL ENERGY SEGMENT



- Power utilities/operators of electricity distribution systems
- Electricity wholesalers
- Electrical and electrical installation companies, designers

DISTRIBUTED ENERGY SEGMENT



New clients

- Industry
- Enterprises
- Municipalities and cities
- Clusters, cooperatives and energy communities
- Individual and collective prosumers

VALUE FOR THE CLIENT

Conscious management and conservation

Energy security and environmental protection

Local manufacturer

Production scale and references

High technical competence (R&D)

Ease of implementation and operation as well as updates/modernization

Well-known and recognizable brand of Apator

Expanding commercial competences dedicated to the distributed market

Gas Unit





GAS METERING



Maintaining
the position
of a leader



ROBOTIZATION AND AUTOMATION



Further business
development



HVAC INDUSTRY

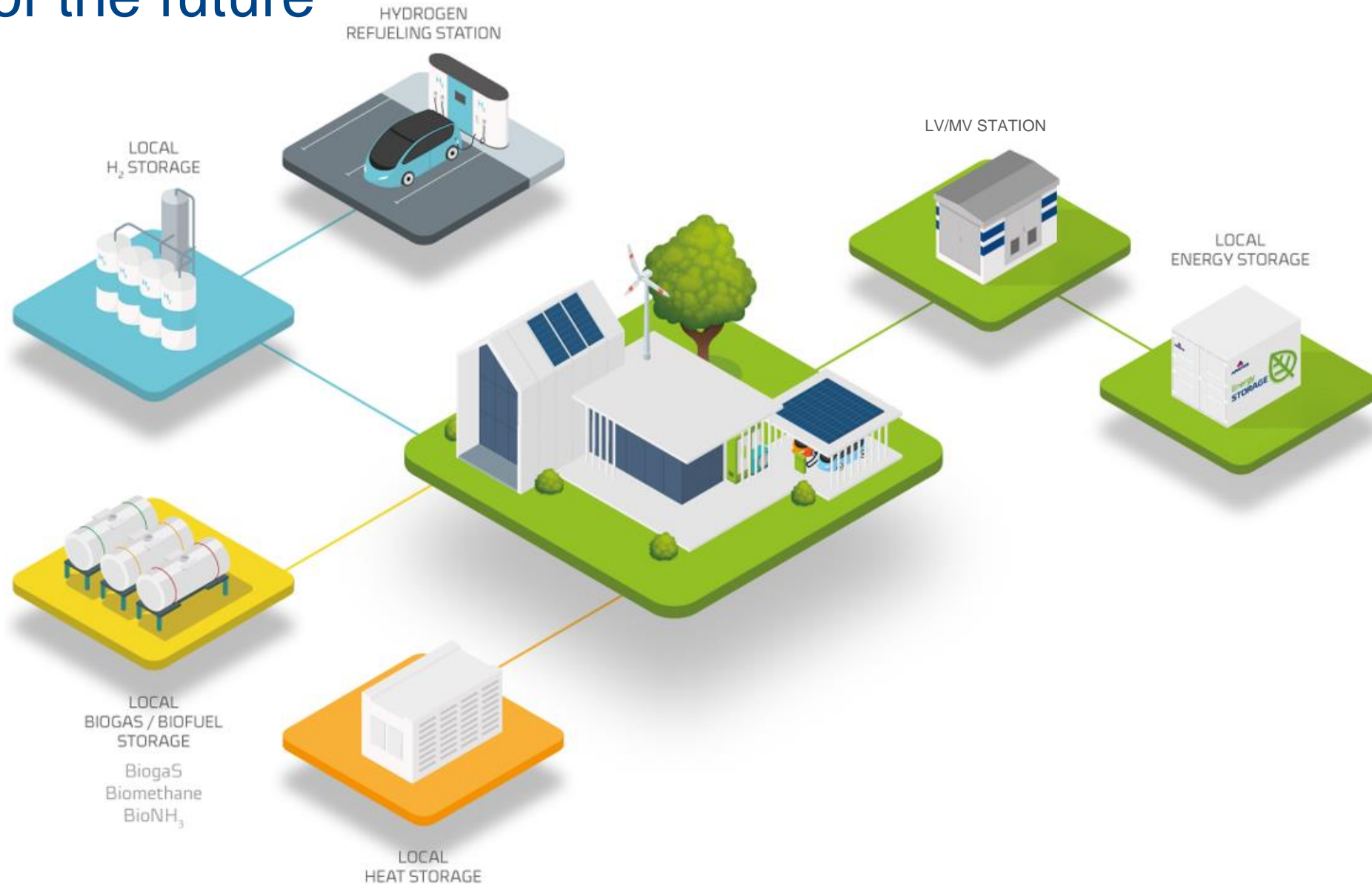


New activity

The home of today and tomorrow



The home of tomorrow – local infrastructure of the future



New activity in the HVAC industry



Devices for ventilation and heat recovery

Heating products/devices

IoT applications, drivers, sensors, energy and utility management cloud services



THE HIGHEST
STANDARDS



QUALITY



SERVICE

Customer segmentation

PROFESSIONAL SEGMENT



- Installation companies
- Construction companies / developers
- Installation and construction wholesalers

PRIVATE SEGMENT



- Medium and high-income clients
- Environmentally aware
- Seeking technical innovations and advanced technologies to facilitate everyday life
- Small, cost-conscious businesses

VALUE FOR THE CLIENT

Ease of purchase (automated customer service)

Ease of installation and use (product configuration, instructional materials / simple instructions)

Accessible and reliable on-site service

Mindful of the environment

Training and technical support

Energy security

The recognized brand of Apator

Conscious management and saving

Expanding competences - new commercial DNA, integration with the sales team from the Electricity unit

Water&Heat Unit



Water&Heat Unit 2025



WATER METERING



Further business expansion



HEAT METERING



Further business expansion



SOLUTIONS FOR RESOURCE MANAGEMENT AND WATER CONSERVATION



New activity

Water&Heat Unit 2025



Dynamic expansion on foreign markets

Ultrasonic technology

END2END solutions on the Polish market

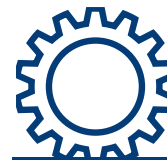
Apator Powogaz 4.0 - production automation and optimization



COMPREHENSIVE
SOLUTIONS



QUALITY



SERVICES

Ultrasonic water meters

IP68 waterproof as standard

Various types of communication

Unique beam focusing system - very high R800 measurement class

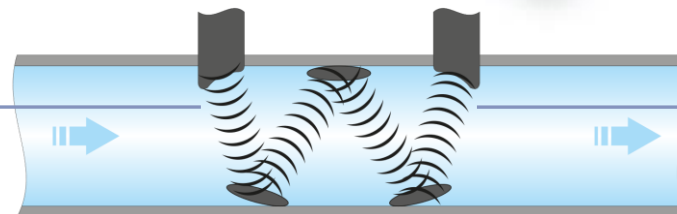
Different body versions - brass and ECO lead-free

Proprietary, innovative technology protected by numerous patents

Standard NFC communication enables data reading, easy installation and subsequent service with any Android device

Unique mirror system in the water meter

Patented measuring system allows for stable measurement regardless of the flow direction

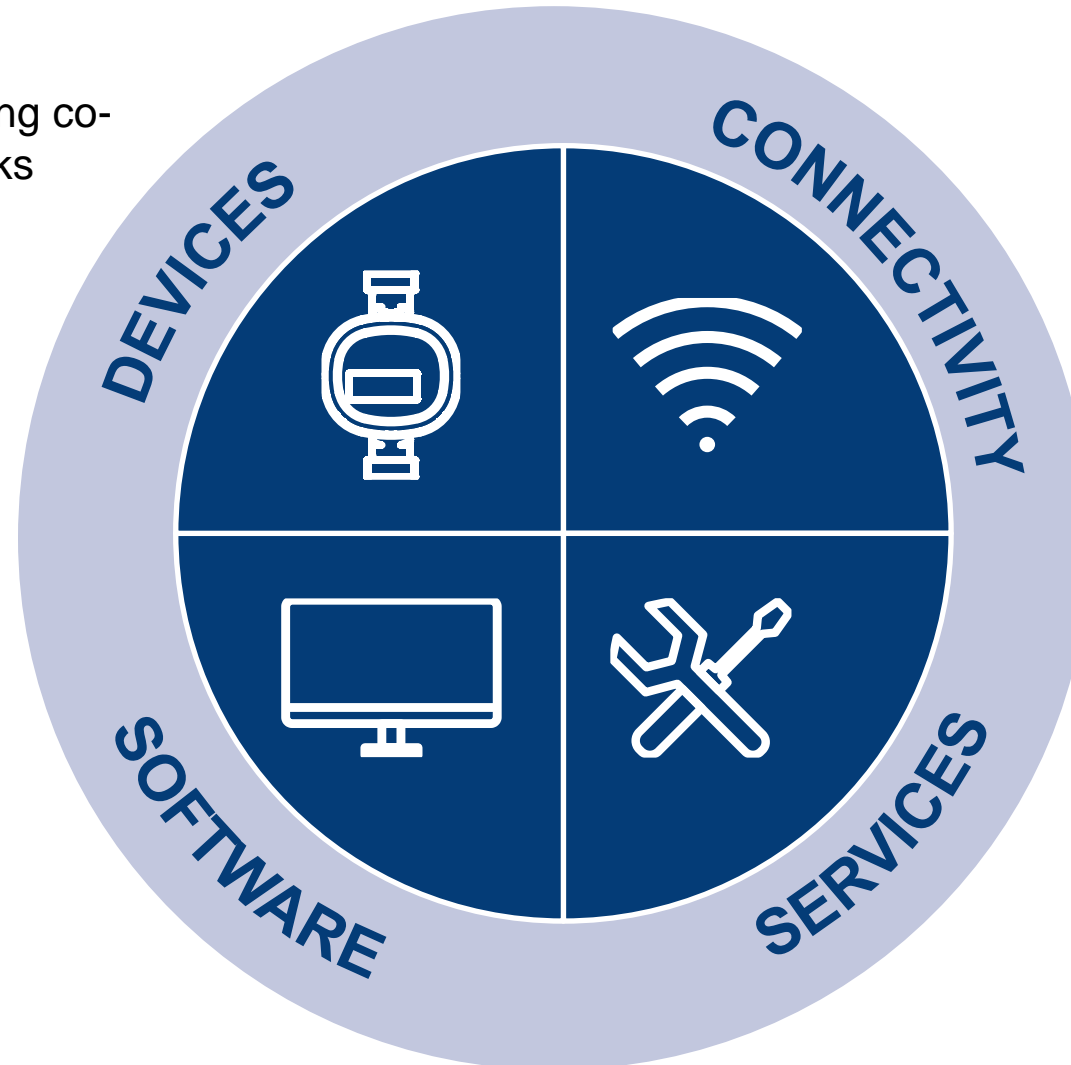


Comprehensive solutions



A wide offer for various recipients: both for housing co-operatives and waterworks (classic, hybrid, static technologies)

Various communication methods: WMBUS, OMS, LoRaWan, GSM, MBUS, Modbus



SPIDAP system (system with modules for data reading, data management, device assembly, and post-warranty service)

Assembly, reading, billing services (own billing team in Warsaw), network design services

Customer segmentation



Goals of Apator Group



Goals of Apator Group until 2025

Sales revenues in 2025 - PLN 1.4 billion

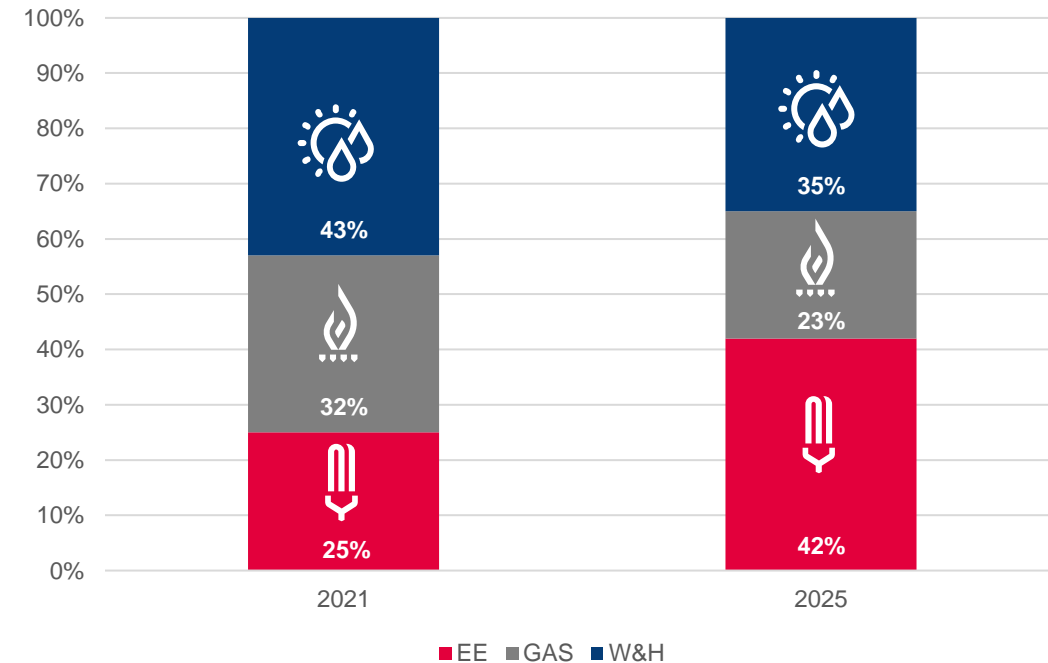
EBITDA in 2025 - approx. PLN 200 million

Return to pre-crisis EBITDA profitability

Improved OCF to EBITDA conversion

Net debt to EBITDA reduction below 2x

% Share in EBITDA 2021 vs 2025



Goals of Apator Group until 2025

A significant change in the product offer - products with higher margins (e.g. roll-out of smart meters, ultrasonic technology, systems and services)

CAPEX - 5-7% of annual revenues (mainly new product development and automation)

Further consolidation of the companies of Apator Group

- Specialization and concentration of production centers
- Asset optimization
- Savings on overhead costs

Continuation of the dividend policy

Openness to strategic M&A and OEM projects



Consistent sustainable business development



Products

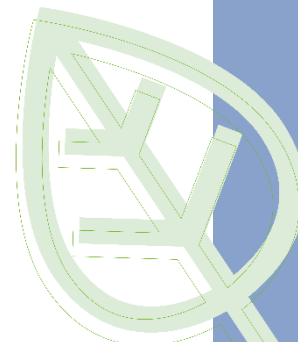
- Responding to the challenges of the EU climate policy
- Supporting the conservation of valuable natural resources
- Manufacturing with respect for the natural environment



- Responsible business partner
- Industry expert
- Reliable employer



- Activities in accordance with international regulations
- High standards of corporate governance



- Compliance with the **NFRD directive** and the **EU Taxonomy**
- Readiness to implement the **CSRD directive**
- Standardization of reporting according to **GRI**

Disclaimer

The Management Board of the Company indicates that despite exercising due diligence, due to the possibility of external factors (especially in view of the high unpredictability of the macroeconomic environment) that may significantly affect the goals presented in the Strategy, they cannot be treated as operational or financial forecasts, but only as Strategy implementation measures to be followed by the Company in the period of validity of the updated Strategy.



Thank you for your attention

