



Report of the Management Board on the activities of Apator S.A. and the Apator Group in first half of 2025.

Toruń, 29 August 2025

Selected financial data, including key items of the summary condensed consolidated financial statements (also converted into EUR)

SPECIFICATION	in thousands PLN		in thousands EUR	
	current period	preceding period	current period	preceding period
Consolidated financial statements	The first half of 2025	H1 of 2024	The first half of 2025	H1 of 2024
Sales revenue of products and services	570,102	634,430	135,070	147,169
Operating profit	41,231	48,957	9,769	11,357
EBITDA	75,130	76,589	17,800	17,766
Gross profit	39,249	49,004	9,299	11,367
Net profit	30,233	38,520	7,163	8,935
Net profit attributable to shareholders of the Group's parent company	29,781	38,328	7,056	8,891
Net profit attributable to non-controlling interests	452	192	107	45
Weighted average number of shares	29,047,073	29,047,073	29,047,073	29,047,073
Net profit per ordinary share [PLN/share]	1.03	1.32	0.24	0.31
Cash flows from operating activities	63,918	87,315	15,144	20,254
Cash flows from investment activities	(36,996)	(27,242)	(8,765)	(6,319)
Cash flows from financial activities	(10,326)	(60,777)	(2,446)	(14,098)
Total cash flows	16,596	(704)	3,932	(163)
Consolidated financial statements	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Total assets	998,601	964,571	235,414	225,736
Fixed assets	510,088	497,947	120,250	116,533
Current assets	488,513	466,624	115,164	109,203
Equity with non-controlling interests	602,305	592,502	141,989	138,662
Non-controlling interests	2,589	2,212	610	518
Share capital	3,265	3,265	770	764
Long-term liabilities and provisions	59,520	63,274	14,031	14,808
Short-term liabilities and provisions	336,776	308,795	79,393	72,267
Weighted average number of shares	29,047,073	29,047,073	29,047,073	29,047,073
Net book value per common share [PLN/share]	20.74	20.40	4.89	4.77

The above financial data for the six-month periods of 2025 and 2024 have been converted into EUR according to the following rules:

- individual items of the statement of comprehensive income – at an exchange rate constituting the arithmetic mean of the average EUR exchange rates set by the National Bank of Poland on the last day of each month of the reporting period: from 1 January to 30 June 2025 – EUR/PLN 4.2208 and from 1 January to 30 June 2024 – EUR/PLN 4.3109;
- individual items of the statement of cash flows – at an exchange rate constituting the arithmetic mean of the average EUR exchange rates set by the National Bank of Poland on the last day of each month of the reporting period: from 1 January to 30 June 2025 – EUR/PLN 4.2208 and from 1 January to 30 June 2024 – EUR/PLN 4.3109;
- individual items of the statement of financial position were translated using the average EUR exchange rate published by the National Bank of Poland on 30 June 2025 – 4.2419, and on 31 December 2024 – 4.3130.

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1. General information

This report of the Management Board for the first half of 2025 should be read in conjunction with Apator Group's 2024 statement of activities, available at the following link: <https://api.apator.com/uploads/relacje-inwestorskie/dane-finansowe-i-raporty-okresowe/raporty-okresowe/2024/2024/SzD-pl-2024-12-31-0-pl.html>

1.1. Organisation of the Apator Group

The Apator Group is an international group of manufacturers and distributors of measuring devices and systems and suppliers of innovative solutions for the automation of power, water and gas networks.



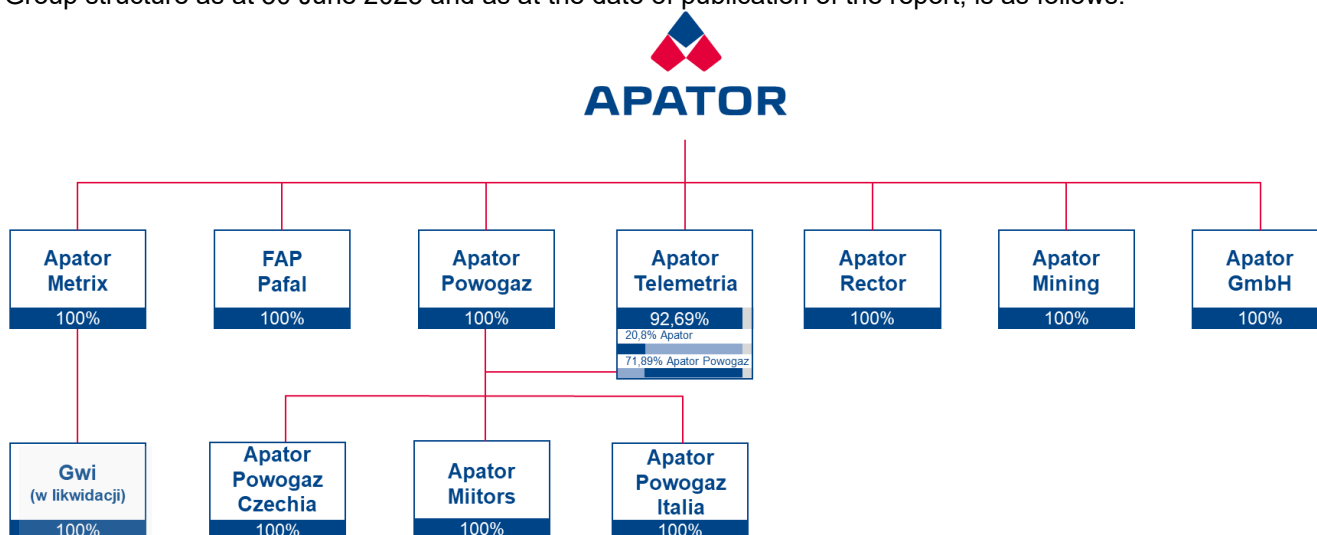
The companies of the Apator Group are part of the electromechanical sector and focus their activity on manufacturing and sales of measuring equipment (electricity meters, gas meters, water meters and heat meters), control and measurement instruments, distribution and control equipment, IT systems of SCADA class and their supporting telemechanics devices, security and other network devices for distributed systems ensuring the possibility of remote control and supervision of the power grid in the full voltage range, as well as data reading and transmission devices. The Apator Group also implements solutions supporting energy transformation and the development of renewable energy (i.a. automation equipment, RES supervision systems, energy storage systems).

The parent entity of the Apator Group of Companies is Apator S.A. with its registered office in Toruń.



1.2. Composition of the Apator Group and its business segments

Group structure as at 30 June 2025 and as at the date of publication of the report, is as follows:


















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Control over GWi Ltd. has been lost (in accordance with IFRS 10), and as a result, as of 12 April 2024, it is no longer subject to consolidation.

On 10 July 2025, Apator Metra s.r.o, based in the Czech Republic, was renamed to Apator Powogaz Czechia s.r.o.

The operation of the Apator Group is organised into three segments:

Business segments	 electricity	 gas	 water and heat
Business Lines	<ul style="list-style-type: none">  electricity metering  switchgear  automation  ICT 		
Companies forming the Segment	<ul style="list-style-type: none"> Apator S.A. (Toruń, Łódź, Poznań) Apator Rector (Zielona Góra) FAP Pafal (Świdnica) Apator GmbH (Germany) 	<ul style="list-style-type: none"> Apator Metrix (Tczew) Apator GmbH (Germany) 	<ul style="list-style-type: none"> Apator Powogaz (Jaryszki) Apator Telemetry (Słupsk) Apator Powogaz Czechia (Czech Republic) Apator Miitors (Denmark) Apator Powogaz Italia (Italy) Apator GmbH (Germany)
Solutions	<ul style="list-style-type: none"> Electronic electricity meters (household, residential, industrial, prosumer), including smart class solutions (with remote reading function) Energy distribution devices Control and supervision systems Measurement data management systems Solutions for RES (automation, RES management systems, energy storage systems)  OTUS 3 meter  Control and supervision systems  SmartARS pro disconnector	<ul style="list-style-type: none"> Bellows gas meters (domestic, industrial), including smart class solutions (with remote reading function) Remote reading services, a system enabling stopping and resuming gas supply via the GSM network Production of machines for the automation of industrial processes  iSMART 2 gas meter  hybridSMART	<ul style="list-style-type: none"> Mechanical water meters (residential, household, industrial), including smart class solutions (with remote reading function) Ultrasonic water meters Heat meter and heat cost allocators Remote reading and utility billing services, systems supporting network infrastructure management  ULTRIMIS W water meter  JS Smart +  E-ITN allocator
Main customers	<ul style="list-style-type: none"> distribution system operators (DSO) electricity grid wholesalers, electrical assembly, and electrical installation companies construction, industry and railway companies photovoltaic and wind farms, energy clusters and cooperatives, other RES sector entities 	<ul style="list-style-type: none"> gas companies/gas distributors and gas suppliers 	<ul style="list-style-type: none"> water, sewerage and heating companies housing cooperatives construction industry
Main markets	Poland, Germany, Brazil, Romania, Turkey, Hungary	Belgium, Poland, Ukraine, Turkey, Germany	Poland, Czech Republic, Germany, Romania, Serbia, Spain, Italy
Volume of sales in H1 2025	PLN 262,3 million	PLN 103,8 million	PLN 204,0 million

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Share of exports in segment revenues in H1 2025	15.1%	76.9%	57.1%
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2. Summary of financial results

This section identifies significant achievements or failures and lists the most important events concerning the Issuer and its Group, as well as factors and events, including those of an unusual nature, that significantly impact the financial statements. This semi-annual report should be read in conjunction with Apator Group's 2024 statement of activities, available at the following link: <https://api.apator.com/uploads/relacje-inwestorskie/dane-finansowe-i-raporty-okresowe/raporty-okresowe/2024/2024/SzD-pl-2024-12-31-0-pl.xhtml>

2.1. Results achieved in the first half of 2025.

In the first half of 2025, Apator Group achieved the following financial results:

Specification	H1 2025	H1 2024	Change	Growth rate
Sales revenue, including:	570,102	634,430	-64,328	89.9%
country	333,969	356,597	-22,629	93.7%
exports	236,133	277,833	-41,699	85.0%
Cost of goods sold	413,009	470,245	-57,236	87.8%
Gross profit from sales	157,093	164,185	-7,092	95.7%
Sales costs	25,738	24,454	1,284	105.3%
Management and administration costs	87,907	82,656	5,251	106.4%
Profit on sales	43,448	57,075	-13,627	76.1%
Change in write-downs on receivables	-569	-401	-168	-
Result on other operating activities	1,648	- 7 717	6,069	-
Share in profit of entities consolidated using the equity method	-	-	-	-
Operating profit	41,231	48,957	-7,726	84.2%
EBITDA	75,130	76,588	-1,458	98.1%
Result on financial activities	-1,982	-4 236	2,254	46.8%
Acquisition/loss of control over a subsidiary (negative goodwill)	-	4,283	-4,283	-
Profit before tax	39,249	49,004	-9,755	80.1%
Current income tax	-5,036	- 8,450	3,414	59.6%
Deferred income tax	-3,980	-2,034	-1,946	195.7%
Net profit	30,233	38,520	-8,287	78.5%
Adjusted net profit*	30,233	34,237	-4,004	88.3%
Profitability ratios:				
Gross profit margin on sales	27.6%	25.9%	+1.7 pp.	
Profit margin on sales	7.6%	9.0%	-1.4 pp.	
EBITDA profit margin	13.2%	12.1%	+1.1 pp.	
Net profit margin	5.3%	6.1%	-0,8 pp.	
Adjusted net profit margin*	5.3%	5.4%	-0,1 pp.	

*) Net income for H1 2024. adjusted for the negative value of GWi's net assets (due to the loss of control over the company as defined by IFRS 10). The derecognised net asset value of GWi includes write-downs on assets recorded in the 2023 report.

The main factors affecting financial performance in the first half of 2025 include:

- as expected, temporarily lower sales in the Electricity segment compared to the record levels of 2024 resulting from the accumulation of meter deliveries as part of the roll-out in Poland (especially in Q2 2024);
- a stabilised situation in the Gas segment owing to consistent cost control, resulting in an improvement in EBITDA despite with lower sales volumes related to the delivery schedule in the Belgian contract;

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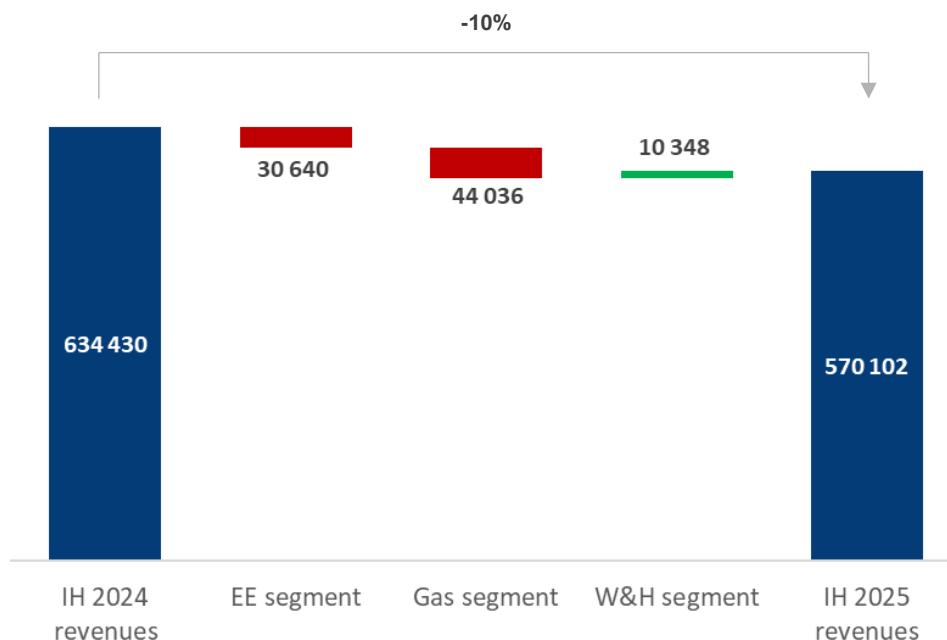
- progressive growth in the Water and Heat segment resulting from effective sales activities and revenue growth, consistent work on operational efficiency and improvement of gross margins;
- a significant improvement in the result on other operating activities (lower provisions) and an improvement in the result on financial activities resulting from significantly lower y/y debt servicing costs and positive exchange rate differences, despite a lower y/y result on foreign exchange transactions.

Foreign sales

Given the record level of half-year sales in H1 2024, in the first half of 2025 the Apator Group's revenues were 10% lower y/y, and total turnover exceeded PLN 570.1 million. Sales in this period were temporarily lower in the Electricity and Gas segments and were partially offset by higher year-on-year turnover in the Water and Heat segment. Due to lower exports in the Gas segment, foreign sales fell to a greater extent than domestic sales, the share of which in total turnover increased by 2.4 p.p., reaching nearly 58.6% of the Group's revenue.

Specification	H1 2025 (k PLN)	H1 2024 (k PLN)	Change y/y (k PLN)	Growth rate (%)
Electricity (EE) segment	262,256	292,896	-30,640	89.5%
<i>country</i>	222,603	243,659	-21,056	91.4%
<i>exports</i>	39,653	49,237	-9,584	80.5%
<i>share of exports of the Electricity (EE) segment in total sales revenue</i>	7.0%	7.8%		
Gas segment	103,812	147,848	-44,036	70.2%
<i>country</i>	23,934	28,089	-4,155	85.2%
<i>exports</i>	79,878	119,759	-39,881	66.7%
<i>share of exports of the Gas segment in total sales revenue</i>	14.0%	18.9%		
Water and Heat (W&H) segment	204,034	193,686	10,348	105.3%
<i>country</i>	87,432	84,850	2,582	103.0%
<i>exports</i>	116,602	108,836	7,766	107.1%
<i>share of exports of the W&H segment in total sales revenue</i>	20.5%	17.2%		
Total sales revenue	570,102	634,430	-64,328	89.9%
<i>country</i>	333,969	356,597	-22,628	93.7%
<i>exports</i>	236,133	277,833	-41,700	85.0%
<i>share of total exports in total revenue</i>	41.4%	43.8%		

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The sales structure by segment was as follows:

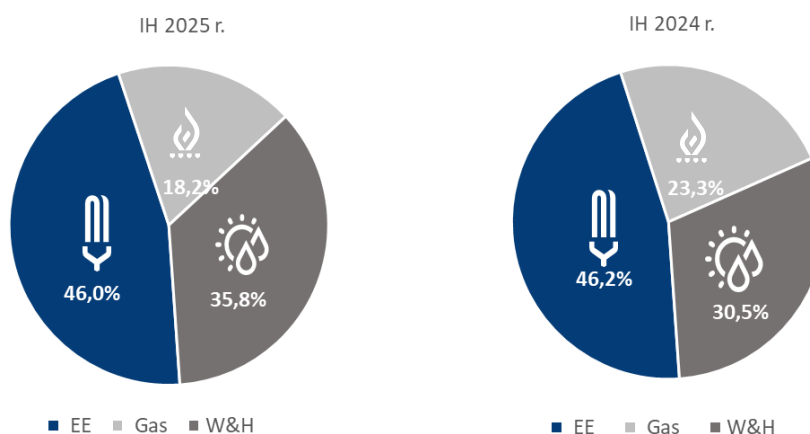
- Electricity (EE) segment – decline in segment sales (-10% y/y) compared to the record level of 2024:
 - domestic sales of meters (the largest business line, accounting in H1 2025 for nearly 2/3 of EE segment revenues) down 12% y/y compared to the record level in the first half of 2024 (over PLN 100 million in turnover in Q2 2024) related to large deliveries of smart meters as part of the roll-out in Poland. This year, Apator continues to deliver smart meters and solutions in the area of medium voltage station balancing in accordance with the agreed (with customers) schedules. The lower turnover y/y is, however, apart from the high base of the first half of 2024, also the result of earlier decision-making delays in tenders and schedule changes. The decline in exports within this line is related to reduced year-on-year deliveries of meters to the German market, resulting from the already visible reduction in the number of tenders announced in 2024;
 - maintained sales results in the Switchgear line (the second largest business line, 20% of the segment's revenue) due to a clear recovery in exports (+15% year-on-year) with lower (-8% year-on-year) domestic turnover. Maintaining results related to intensive activities aimed at strengthening the Group's position amid increasingly fierce price competition;
 - higher turnover growth in the ICT (+5% year-on-year) and Automation (+13% year-on-year) lines as a result of the implementation of larger contracts – each line accounts for nearly 8% of the segment's revenue.
- Gas segment – sales down 30% year-on-year due to a simultaneous decline in exports (-33% year-on-year) and domestic sales (-15% year-on-year). The lower international sales resulted from markedly smaller deliveries under the Belgian contract (in line with the agreed schedule), alongside declined activity in key markets such as Germany, the United Kingdom, the Netherlands and Turkey. Currency exchange fluctuations (a stronger Polish zloty against the euro) had an additional adverse effect on the segment's international turnover. Due to the decline in operations in some of its previously important export markets, the Group is intensifying its sales activities with the aim of maintaining/rebuilding its position in its existing sales channels, while increasing its presence in other markets offering the best opportunities for presenting and implementing the Group's product portfolio. The presence of Gas segment products on the Ukrainian market is also becoming increasingly noticeable, where, as a result of steadily growing

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deliveries, sales in H1 2025 were more than twice as high as in the previous year. In the domestic market, deliveries continued under the tender for the main gas network operator in Poland. At the same time, the Group is actively participating in new procurement processes and, in response to increasingly frequent client expectations, is developing IT systems for network management and building a complementary offering;

- Water and Heat segment – a visible and anticipated revival, with H1 2025 turnover 5% higher year-on-year, driven by positive growth rates in both domestic and export sales. Higher domestic revenue, partly related to a concentration of water meter replacements in housing cooperatives, was achieved thanks to promotional efforts initiated in 2024. Higher export sales in the segment (despite the unfavourable impact of the strong Polish zloty), supported by higher turnover across most markets, including key ones (Czech Republic, Germany, Romania) and more distant locations (Serbia, Saudi Arabia, Sweden, Kenya, Iraq, Portugal, Moldova). Positive sales growth rates were recorded across all main product groups domestically and water meters abroad. Lower year-on-year exports of heat meters and radio modules. The positive growth trend in the group of ultrasonic water meters and remote communication devices has been maintained.

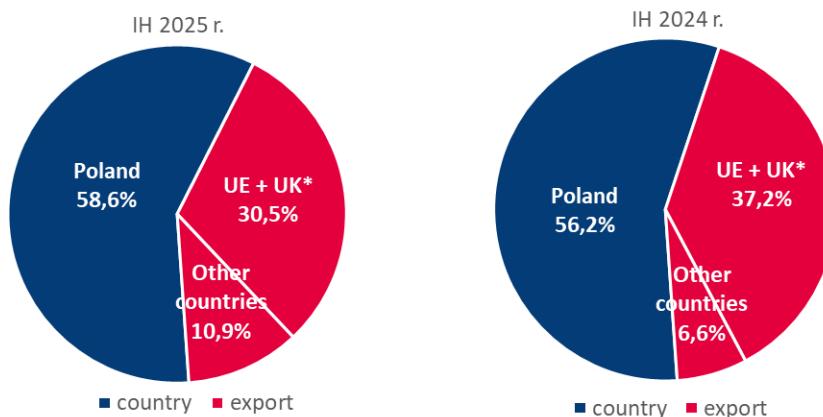
In view of the above-described changes in the sales structure of the Apator Group, the Water and Heat segment increased its share (with a decrease in the share of the Gas segment), while the share of the Electricity segment remained at the level of H1 2024.



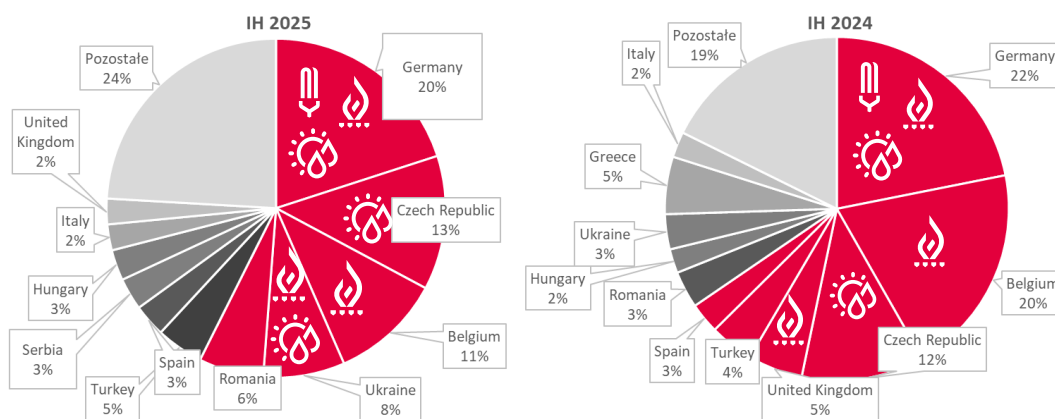
Geographical sales structure

Although the sales situation of the Apator Group in Poland in H1 2025 was more favourable than abroad (as in Q1 of this year), the geographical structure of sales remains relatively stable, with exports accounting for over 40% of revenues. This ensures adequate diversification of operations and greater predictability of future sales performance, regardless of changing conditions in specific target markets. A noticeable change in the sales structure of the Apator Group, mainly related to the development of new markets in the Water and Heat segment, is the increase in the share (+4.3 pp. year-on-year) of countries outside Europe, at the expense of the European Union and the United Kingdom.

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Poland remains the Apator Group’s primary sales market. The European Union (with a visible share of the German, Czech, Belgian, Romanian, Spanish, Hungarian and Italian markets) and the United Kingdom remain in second among the Group’s sales destinations. In the sales structure after H1 2025 (compared to H1 2024), the German market remained first among export destinations. These were followed by the Czech Republic, Belgium and Ukraine, and then Romania, Turkey and Spain. The German market is primarily supplied with ultrasonic water meters, which represent the fastest-growing product group in the segment. The reduced share of the Belgian market is linked to significantly lower deliveries under a Gas segment contract launched at the end of 2023, in accordance with the agreed delivery schedule. Among the Apator Group’s export destinations, the importance of the Ukrainian market (increase in share from 3% to 8%), the Romanian market (from 3% to 6%) and the Czech market (from 12% to 13%) has increased. While the improvement in the Czech Republic is due to the recovery (after a relatively weak 2024) in W&H sales, the turnover in Romania and Ukraine is consistently increasing in both the Water and Heat segment and the Gas segment, which is actively seeking alternative sales destinations to its existing main foreign destinations.



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Foreign sales - countries with a share of more than 5% in exports	Share of exports in H1 2025	Sold products
Germany	20%	electricity meters, gas meters and water meters
Czechia	13	mainly water meters and cost allocators
Belgium	11	gas meters
Ukraine	8	gas meters, water meters
Romania	6%	water meters, gas meters, switchgear

Seasonality of sales

Seasonality in the Apator Group's activity is not particularly significant, especially because of the effects of the pandemic and now also the war in Ukraine. The turnover structure in recent years should not be considered representative of the phenomenon of seasonality, where factors of an unusual nature (disturbances in supply chains, high inflation) have a substantial impact.

Reported revenue by year	Q1	Q2	Q3	Q4
2023	288,506	275,565	288,693	284,410
2024	296,377	338,053	292,645	300,724
2025	283,715	286,387		

Operating costs by function and nature

Specification	H1 2025 (k PLN)	H1 2024 (k PLN)	Change y/y (k PLN)	Growth rate (%)
Costs by function				
Cost of goods sold (COGS)	413,009	470,245	-57,236	87.8%
Selling, general and administrative expenses (SG&A)	113,645	107,110	6,535	106.1%
Total	526,654	577,355	-50,701	91.2%
Costs by nature				
Amortisation and depreciation	33,899	27,632	6,267	122.7%
Consumption of materials and energy	259,953	295,454	-35,501	88.0%
External services	66,974	65,365	1,609	102.5%
Employee benefits	157,773	146,147	11,626	108.0%
Other	19,790	16,968	2,822	116.6%
Change in finished goods, work in progress and prepayments and accruals	-41,429	3,752	-45,181	-
Manufacturing costs of products for entity's own purposes	-6,140	-4,262	-1,878	144.1%
Cost of goods and materials sold	35,834	26,299	9,535	136.3%
Total	526,654	577,355	-50,701	91.2%

The decrease in the cost of goods sold (COGS) correlates with the decline in revenue. However, the rate of decrease in COGS exceeded that of revenue, reflecting improvements in operational efficiency. As a result of these efficiency gains, gross margins on sales in all three of the Apator Group's segments were higher in H1 2025 compared to H1 2024. Adverse macroeconomic conditions were particularly evident in employee benefit expenses (due to a further significant increase in the minimum wage) and external services (driven by still relatively high inflation in Poland and rising labour-related costs).

The same macroeconomic factors also had the greatest impact on the increase in SG&A costs in the Electricity and Water and Heat segments, where the increase in costs also resulted from investments in sales

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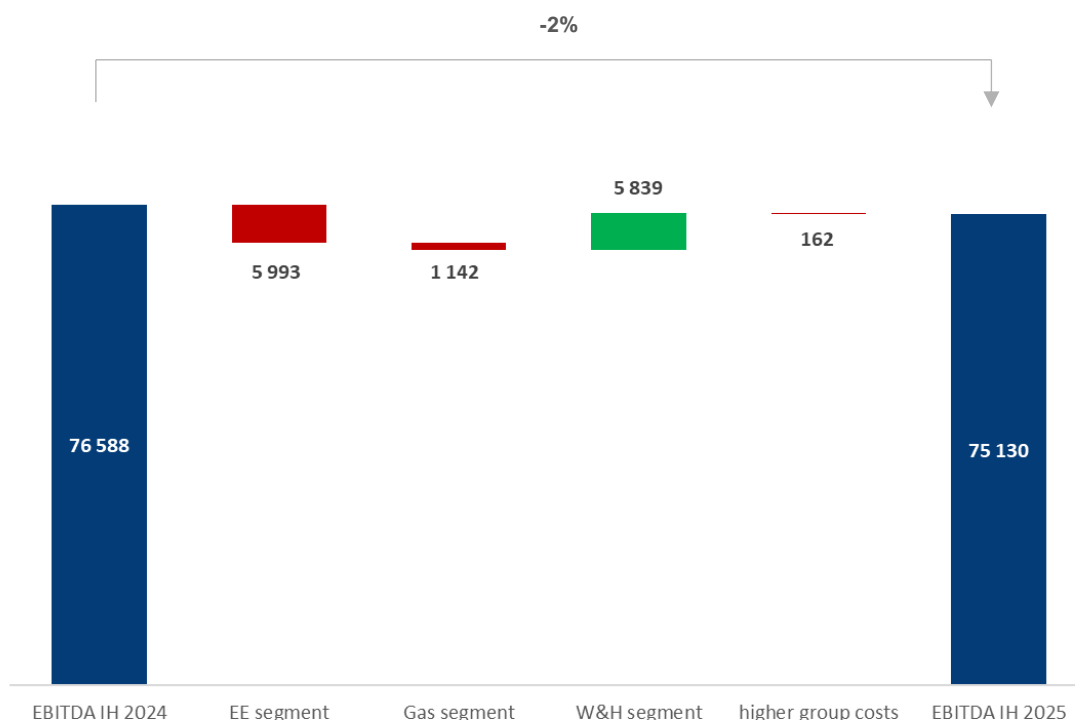
development. In the Gas segment, although SG&A costs were significantly lower year-on-year, this was not only due to consistently implemented savings, but also to a decline in sales volume. As a result, sales margins in all three segments were lower in H1 2025, although in the Water and Heat segment, thanks to higher turnover, the decline was relatively small and profitability was maintained at above 10% (and was also higher than after Q1 2025).

The level of SG&A costs is subject to constant control, both across the entire Apator Group and at the level of individual companies, and is optimised through measures aimed, among others, at further improving the efficiency of operations and greater integration of the Group's activities.

EBITDA

The impact on the consolidated EBITDA of the Apator Group in H1 2025 (PLN 75.1 million, -2% y/y) was due to declines in the results of the Electricity segment and, to a lesser extent, the Gas segment, which were largely offset by a significant improvement in the Water and Heat segment. The EBITDA for the Water and Heat segment increased by 21% y/y, reaching the level of over PLN 34.1 million. This was the result of a simultaneous increase in turnover and improved profitability, as well as a favourable product mix. The improvement in profitability, already the highest among all Apator Group segments, was made possible by optimising the TMC (total manufacturing cost) and operational leverage associated with an expanding scale of activity.

In the Gas segment, the EBITDA margin increased by 1.8 pp. y/y, which is the result of adjusting the scale of the segment's operations (and, consequently, lower y/y fixed costs) to the current market situation and higher results on other operating activities. In the Electricity segment, which saw a temporary decline in turnover compared to the record results of 2024, the EBITDA after H1 2025 was slightly lower than a year earlier as a result of higher SG&A costs, despite a more favourable year-on-year result on other operating activities.



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Net result

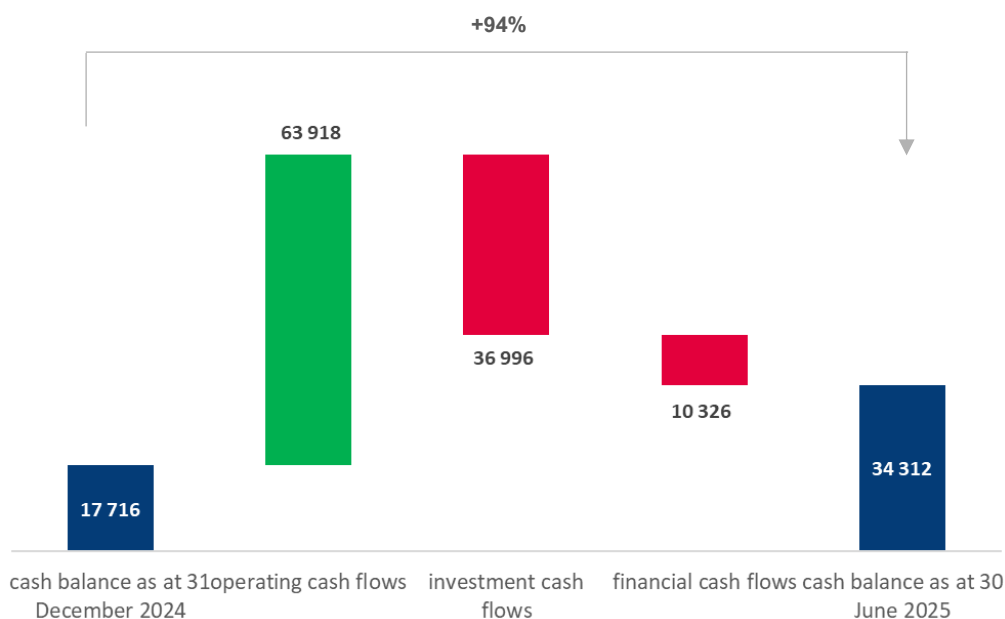
The Group's consolidated net result amounted to PLN 30.2 million and, apart from the above-mentioned factors, was affected by a loss on financial activities (PLN 2.0 million in H1 2025), which consisted of:

- credit debt service costs (PLN 2.3 million), lower year-on-year due to the systematically decreasing level of borrowing, and a reduction (by PLN 0.4 million year-on-year to PLN 1.5 million) in other interest costs;
- positive exchange rate differences (PLN +0.7 million) and a positive result on foreign exchange transactions (PLN 1.5 million);

2.2. Assessment of the financial position

Cash balance as at 30 June 2025 was PLN 16.6 million higher than at the end of 2024 and amounted to PLN 34.3 million, with a comparable balance of loans and borrowings. The following factors influenced the level of cash:

- strong positive cash flows from operating activities, driven by an improved EBITDA-to-cash conversion ratio resulting from working capital optimisation, including better turnover ratios for trade receivables and payables;
- negative cash flows from investing activities, primarily due to capital expenditure on property, plant and equipment, and intangible assets;
- negative balance of financial flows related to repayment of liabilities on account of financial leases (PLN -6.6 million) and interest payments (PLN -2.7 million). At the same time, it should be noted that the dividend amount remaining to be paid in 2025 (PLN 0.60) will be paid to shareholders in Q3 2025.



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Other key indicators	H1 2025	2024	H1 2024	Formula
Current liquidity ratio	1.45	1.51	1.47	current assets/short-term liabilities
Quick ratio	0.69	0.78	0.81	(current assets – inventories) /short-term liabilities
Return on asset (ROA)*	6.05%	6.54%	5.17%	net profit for the last 12 months/average total assets, calculated as an average of the opening and closing balances
Return on equity (ROE)*	9.95%	11.21	9.09%	net profit for the last 12 months/average equity calculated as the average of the opening and closing balances
Net debt (in PLN PLN)	80,365	97,131	99,734	credits and loans – cash and cash equivalents – granted loans
Net debt / LTM EBITDA*	0.57	0.68	0.76	(credits and loans – cash and cash equivalents – granted loans) / EBITDA profit level for the last 12 months
CAPEX (in k PLN)	49,269	57,322	26,915	tangible and intangible investment expenditure
Working capital (in thousands PLN)	209,943	230,339	229,557	(current assets – cash) – (short-term liabilities – short-term credits and loans)

*) Net profit for 2024 adjusted by deferred tax due to the zone tax credit at Apator SA (PLN 5.5 million) and the derecognised negative value of GWI's net assets (due to the loss of control over the company within the meaning of IFRS 10; PLN 4.3 million).

**) Difference in capex for H1 2025 and H1 2024 is also related to a change in the presentation of capital expenditure (capex for H1 2025 determined on the basis of accounting notes concerning fixed assets and intangible assets, departure from reconciling expenditures to CF). Capital expenditure for H1 2025 in last year's methodology would amount to PLN 37,806.

The level of net working capital was, at the end of June 2025, PLN 20.4 million lower than at the end of 2024 (and at the same time PLN 12.3 million lower than at the end of March this year). The decrease in working capital in H1 2025 was caused by a lower level of trade receivables (by PLN 27.2 million) and a higher (by PLN 4.8 million) balance of liabilities. At the same time, inventories increased by PLN 29.0 million compared to December 2024, which results from the schedules of planned deliveries. The current level of working capital is considered close to optimal for the present scale of operations. The Group's priority remains maintaining an acceptable level of operational security and ensuring continuity of production and deliveries.

The Apator Group's net financial debt at the end of June 2025 was PLN 16.8 million lower than at the end of 2024 with a comparable level of lending and a significantly higher (by PLN 16.6 million) cash balance at the end of the period. As a result of the reduction in debt with a comparable EBITDA, the net debt/EBITDA LTM ratio at the end of June 2025 was low, at 0.57x (compared to 0.68x at the end of last year).

The Apator Group maintains its previous declaration to maintain a safe borrowing scale and a net debt/EBITDA ratio below 2x. The priority remains to ensure the safety of production and deliveries, which will ultimately enable the execution of further (including the largest) contracts. The second important assumption of the Group is the increase of CAPEX (according to the assumptions of the updated strategy until 2028 at the level of 5–7% of revenues), which may result in a higher use of external capital and a relatively higher DN/EBITDA ratio (however, still within safe limits).

The capital expenditures incurred in the first half of 2025 primarily related to R&D investments across the Group. This included ongoing development work on the Ultrimis water meter family, new types of electricity meters, and the development or implementation of new generations of software solutions such as remote reading systems for water and heat meters. It also encompassed a range of other innovations aimed at supporting resource management, improving clients' energy efficiency, and enhancing the complementarity and comprehensiveness of the Apator Group's offering.

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3. Information on factors that will affect the future results of the Apator Group

3.1. Risk and threat factors

All significant risk factors and threats in the Apator Group are identified, analysed and controlled on an ongoing basis. Risk management is implemented based on the model of three lines of defence and uniform principles and methodology developed based on the international standard ISO 31000. Risk management is an integral part of the management systems of the individual Group companies and continues to be supervised by the parent company.

The risk management policy adopted at the Group includes risk controls broken down into:

- financial management risk,
- strategic risk related to the development and value creation of the Apator Group,
- operational risk, including day-to-day performance, legal compliance, occupational health and safety, information security, and environmental protection.

A detailed description of the risk factors that may affect the Apator Group's operations is presented in Chapter 7 of the Management Board Report on the operations of the Apator Group for 2024, published on the investor relations website at: <https://api.apator.com/uploads/relacje-inwestorskie/dane-finansowe-i-raporty-okresowe/raporty-okresowe/2024/2024/SzD-pl-2024-12-31-0-pl.xhtml>

In the opinion of the Management Board, the risks indicated in the above-mentioned document remain valid. However, the Management Board emphasises that global trends and geopolitical conditions may determine the results in the coming quarters. Accordingly, the main risk factors that may negatively affect the Group's results in the near term continue to include:

- increasing price pressure from Asian manufacturers (mainly Chinese) supported by targeted state subsidies and legal actions aimed at their own economic expansion in Europe at the expense of European industrial companies;
- tightening of U.S. trade policy towards the European Union and China, and anticipated retaliatory measures by governments, which could disrupt the supply chains of components and raw materials, including rare earth metals (e.g. tungsten, tellurium, bismuth), Chinese restrictions on the export of neodymium magnets. This, in turn, could directly impact major producers of advanced semiconductor systems used by the Apator Group in the manufacture of metering devices. High tariffs and the trend toward deglobalisation of supply chains may lead to a global economic slowdown, reduced trade activity, increased prices for advanced multi-component devices, longer order fulfilment times, and slower financial flows;
- gradual loss of technological sovereignty in certain areas of EU economies and increased dependence on imported technologies and products from outside the EU, particularly from China;
- the negative effects of the war in Ukraine and the conflict in the Middle East, in particular the June bombing of Iran and the renewal of the India-Pakistan conflict;
- unstable financial markets, persistently high interest rates, and high volatility of exchange rates and commodity prices – in particular, speculative behaviour of copper prices, which is relevant for the Apator Group's business. In response, the Group's companies work to minimise their exposure to financial risk by hedging currency positions and commodity price fluctuations, managing working capital efficiently, and reducing debt servicing costs;

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- uncertainty in the gas market, resulting from energy policy and the gradual phasing out of gas as a fuel (due to CO₂ emissions). In EU countries, there is a visible trend of fuel switching by economies and consumers. However, the industry emphasises that the future of energy lies in gas fuels, comprising a mix of natural gas and renewable gases, including hydrogen or biomethane. Apator Metrix S.A. is the first Polish manufacturer of bellows gas meters to obtain a certificate authorising the sale of devices adapted for 100% hydrogen measurement. The Apator Group expects the gas market to stabilise and believes that gas will remain a key stabiliser in the energy transition for decades to come, supporting the shift to renewables and zero-emission fuels. The future of the Gas segment is the subject of strategic initiatives, including the search for alternative markets for existing product lines and the adaptation of the product offering to new customer groups. It should be noted that the effects of these efforts are expected to materialise over a longer time horizon;
- noticeable weaker financial condition of local governments and housing cooperatives, especially in energy utilities, affecting reduced demand for new metering solutions (particularly in the area of water and sewerage and district heating). The sector awaits the disbursement of National Recovery Plan (NRP) funds, greater market liberalisation in the energy sector, openness to new technologies, and better planning and allocation of budgetary resources for municipalities;
- inflation, rising labour costs, unstable prices of energy carriers (coal, gas, district heating, etc.), high electricity and energy media prices in Europe and Poland, and increasing risk of unexpected supply interruptions due to the slow pace of automation and modernisation of distribution and transmission networks in the context of rapid renewable energy expansion and growing threats of cyber attacks on critical infrastructure.

To mitigate the adverse impact of rising costs, the Apator Group continues to implement cost optimisation measures and improve efficiency through, among other things: production optimisation and automation, changes in product mix aimed at improving profitability, and dynamic pricing strategies;

- potential costs and risks associated with the liquidation of GWi Ltd., which are difficult to estimate as at the date of publication of this report. More information is provided in item 6.5 of this report.
- delays in the decision-making processes in ongoing tender procedures on export markets resulting from the current geopolitical situation.

At the same time, the Management Board notes that risk factors arising from legal, political, and economic conditions (both local and global) that are beyond the reach and control of the Company/Group may actually result in underperformance.

The Management Board of Apator S.A., monitors the political and economic situation on a current basis, analyses its impact on the activity of the Company and the Group of Companies and checks the possibilities of protection against risks and takes adequate actions.

Impact of the situation in the East

As of the date of this report, the Apator Group continues to identify risks arising from the war in Ukraine; however, their level depends on the further development of the situation and its impact on exchange rates, prices of raw materials, and other areas of operations.

Since the outbreak of the war in February 2022, the Group has completely ceased sales in the Russian and Belarusian markets. Sales to Ukraine accounted for approximately 1.4% of the Apator Group's total sales in H1 2024.

As regards receivables from contractors from endangered markets, at the end of H1 2024, the share of receivables from the Ukrainian market in the total value of receivables of the Apator Group amounted to approximately 0.9%. The Group had no trade receivables from the Russian and Belarusian markets. Therefore,

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as of the date of publication of this report, the situation in the East has no significant impact on the Group's operations.

Detailed values of receivables as at 30 June 2025 are presented in the table below.

Level of receivables as at 30 June 2025	Apator S.A.	Apator Group
Receivables from contractors		
Ukraine	29	1,913
Total trade receivables as at 30 June 2025	65,218	158,247
Share in Company's trade receivables	0.0%	-
Share in trade receivables of the Apator Group	-	1.2%

3.2. Perspectives and development strategy of the Apator Group

Chapters 3 and 4 of the Report of the Management Board on the activities of the Apator Group for 2024 present a detailed description of the prospects and development factors for individual segments, which will determine the Apator Group's operations and results. In the opinion of the Management Board, the prospects indicated in the aforementioned document remain valid. Link to the document: <https://api.apator.com/uploads/relacje-inwestorskie/dane-finansowe-i-raporty-okresowe/raporty-okresowe/2024/2024/SzD-pl-2024-12-31-0-pl.xhtml>

Among significant favourable trends (internal factors), the following should be indicated:

- reorganisation and integration of the Group's operations – simplification of its structure, consolidation of key processes within the Group,
- increasing operational efficiency and profitability,
- development of a complementary offering, sales of solutions and product lines (e.g. energy storage, expansion of the ultrasonic water meter portfolio, smart prepayment meters, development of IT systems for remote reading and network management),
- sales development in new markets (changes in the sales model, establishment of a distribution company in Italy),
- new contracts and partnerships (e.g. partnership with Rittal in switchgear production, innovative partnership with Enea Operator Sp. z o.o. for the design and delivery of a smart meter, successful bid in the PSG tender for smart gas meters, successful bid in the tender for delivery of meters to Energa Operator, high pipeline for the Water and Heat segment),
- optimisation of working capital debt, and continuation of investment plans,
- implementation of the business strategy;

Among significant favourable trends (external factors), the following should be indicated:

- the focus of EU policy on supporting and shifting European economies towards climate neutrality (The European Green Deal, Blue Deal, Fit for 55 and REPowerEU) is redirecting funding toward environmentally sustainable technologies and innovations, increasing demand for green energy, pressure to conserve natural resources, strengthening the circular economy, and increasing environmental awareness of societies;
- positive effects resulting from the unblocking of funding under the National Recovery and Resilience Facility, which provides for a significant part of the funds to be allocated to the green transition, e.g. to the further development of RES, the modernisation and expansion of electricity grids, energy efficiency, energy storage, the development of the gas distribution system in the provision of alternative gas supply sources and the transformation of the heating sector, among other things. According to the climate ministry, a total of EUR 28 billion is earmarked for energy and climate-related investments under the NRP.

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To date, Polish electricity and gas companies have received record funding for smart grids, telemetry and the development of a zero-carbon economy. In June 2024, dynamic tariffs were allowed in the market and new balancing market rules were introduced that require the use of smart meters for billing in 15-minute periods.

- Implementation into Polish law of *Directive (EU) 2019/944, Regulation (EU) 2024/1747 of 13 June 2024, and Directive (EU) 2024/1711 of 13 June 2024*, which oblige Member States to measure and settle demand response (DR) and energy flexibility and enable consumers to sign contracts with multiple suppliers at a single connection point. These regulations are expected to promote broader use of metering systems and devices.
- digitisation across all economic sectors, including the energy sector, related to the collection and processing of vast amounts of data and the need for high-quality cybersecurity and process automation;
- successful acquisition by Polish electricity distribution companies of low-interest long-term loans (NRP/NDB), amounting to several tens of billions of zloty, for modernising and automating energy networks in the years 2025–2040;
- gradual decentralisation of the energy sector and the growing participation of new market participants: RES power generators and prosumers, which necessitates the need to ensure system balancing with a dynamically increasing share of distributed generation on the part of DSOs, and generates demand for new products and services for RES energy management on the part of business and individual customers;
- increasing demand for energy flexibility (consumption, generation, energy storage) caused by reaching a tipping point in the share of unstable RES energy sources;
- new EU regulations aimed at improving the digital security of devices (NIS 2 directive, new cyber security requirements in the RED directive, and the CRA directive), which classify manufacturers of devices operating in network infrastructure as key and important groups, subject to stricter local European requirements;
- acceleration of regulatory actions supporting the return of supply chains to Europe, reinforced by EU regulations such as the European Chips Act, the -Net-Zero Industry Act (NZIA), and the Critical Raw Materials Act (CRMA); Semicon Coalition initiative (focused on rebuilding the EU semiconductor industry)
- announcements by new members of the European Commission on strengthening Europe's technological sovereignty and protection against cyber threats, backed up by first measures against unfair competition (tariffs on electric vehicles from Asia). A review and revision of the European public procurement directives has been announced to ensure that preference is given to European suppliers in strategic sectors and technologies and that non-price and environmental criteria are given greater weight, as well as strengthening EU regulations on foreign subsidies;
- promising prospects for products related to energy measurement and management, driven by rising utility and water costs due to resource shortages, as well as regulatory pressure (replacements of traditional water and heat meters with remote-reading meters being implemented throughout Europe). In the domestic market, increased demand for smart class solutions due to the introduced amendment to the Energy Efficiency Act imposing on owners or management of multi-unit buildings the obligation to install, by 1 January 2027, heat meters, water meters and heat allocators with remote reading. Additionally, there is growing interest in remote reading systems, water and heat billing services, solutions for monitoring water quality or leak detection (with particularly strong demand for comprehensive solutions among water and sewage companies);
- successively increasing demand for electronic (as opposed to mechanical) flow/water consumption measurement technologies that guarantee the highest classes of measurement accuracy. Increased customer interest, particularly in ultrasonic water meters which reduce water losses; Pressure to use measurement devices with extended lifespans (e.g. ultrasonic water meters without mechanical moving parts).

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4. List of major events

4.1. List of events in the first half of 2025

1. On 28 January 2025, following a successful tender, the Management Board announced the conclusion of an innovation partnership agreement with Energa Operator sp. z o.o.). The purpose of the Agreement is to develop an innovative 1- and 3-phase remote electricity meter with communication modules. The agreement establishing the innovation partnership (the "Agreement") will be concluded by the end of January this year and will include four stages of its performance, together with timetables. The first stage of the Agreement will involve developing technical and contractual requirements, the second and third stages of the Agreement involve research and development work and obtaining the MID certificate, while the fourth stage concerns putting the meter with the communication module into production and deliveries.
The Agreement value according to the tender conditions is PLN 62.3 million, assuming the completion of the three previous stages of the Agreement. The delivery of the meters is expected to start in late 2025 or early 2026. In accordance with the requirements, Apator SA granted 72 months guarantee for the meters supplied. In addition, the Ordering Party provides for the possibility, as part of the agreement, of purchasing a total of approx. 2.4 million meters from the contractors selected in the tender by 2030.
2. On 30 January 2025, Apator Powogaz SA established a subsidiary, Apator Powogaz Italia Srl, with a registered office in Padua (Italy).
3. The Management Board of Apator S.A., announced that on 11 February 2025 it has entered into a technology partnership agreement with RITTAL GmbH&Co KG (based in Herborn, Hesse), which belongs to the Friedhelm Loh Group, a global industrial corporation. Cooperation of the Parties also includes the design and manufacture by Apator S.A. of a family of fuse switch disconnectors with optional electronic modules monitoring the status of fuse links. Disconnectors are designed for low-voltage switchboards and ensure the compatibility of devices with the RiLineX system by RITTAL. Sales will be made as orders come in. The Management Board estimates that, in 2025, projected revenues may amount to several million PLN, with the prospect of successive increases in subsequent years.
4. On 7 March 2025, The Management Board of Apator S.A., concluded a second agreement with Energa - Operator S.A. for the supply of Concentrator-Balancing Sets (ZKB) for the continuation of the project to install metering equipment at the MV/LV electrical substation. The contract value is PLN 10.4 million net, with delivery scheduled for the end of 2025 and the beginning of 2026.
5. On 12 March 2025, the subsidiary Apator Rector Sp. z o.o. concluded an agreement with Tauron Dystrybucja S.A. ("TD") with a net value of PLN 45 million. The agreement concerns the provision of services, support and development of the IT system for Network Asset Management (ZMS) implemented at TD between 2025 and 2028. The terms and conditions of the agreement do not differ from those commonly used in agreements of this type, including contractual penalties. The Network Asset Management System supports the functioning of the Distribution System Operator in the area of comprehensive infrastructure and business process management, and also provides a comprehensive, digitised database of network information.
6. On 28 March 2025, Apator SA concluded an agreement with Energa-Operator SA for the supply of remote-read electricity meters with a prepayment function. The contract value is PLN 28.8 million net, with delivery scheduled for 2025 and 2026.
The contract terms include provisions on contractual penalties, in particular for delays in the delivery of batches of equipment or untimely removal of defects during the warranty period. Remote reading meters offering a pre-payment function are innovative devices that facilitate energy consumption control and operate on a pre-paid basis, i.e. after prior top-up.
7. On 5 May 2025, the offer of the subsidiary, Apator Metrix S.A., was selected as the most advantageous in eight tasks forming part of the tender for the supply of bellows gas meters with data transmission functionality for Polska Spółka Gazownictwa sp. z o.o. ("PSG") under the eGazomierz project.

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The value of the offer is PLN 134.4 million, and deliveries are to be completed by 30 September 2026. The tender conditions include an option clause, allowing the volume of the order to be increased or decreased by up to 20%. As the procedure was conducted as a non-public procurement, PSG has stipulated that no protests or appeals may be filed. Consequently, contracts for the individual tasks are to be concluded within 30 days from the date on which the decision regarding the tender award was communicated.

The eGazomierz project, launched by PSG, provides for the replacement of gas meters for customers in the third tariff group with smart metering devices equipped with a remote data transmission function, which enables remote reading and allows ongoing monitoring of gas consumption via a dedicated application.

8. The Management Board of Apator S.A., on 23 May 2025, acting pursuant to Article 504 sec. 1 of the Commercial Companies Code, announced for the first time its intention to merge Apator S.A. with its registered office in Toruń, as the acquiring company, with its subsidiary, Fabryka Aparatury Pomiarowej PAFAL SA with its registered office in Świdnica. The planned merger will be carried out by transferring all the assets of Fabryka Aparatury Pomiarowej PAFAL S.A. into Apator S.A. as of 2 January 2026. Due to the fact that Apator S.A. owns 100% of shares of Fabryka Aparatury Pomiarowej PAFAL S.A., the merger will be carried out under a simplified procedure pursuant to Article 516 § 6 of the Code of Commercial Companies, without the increase of the share capital of the Issuer and without the issue of new shares.
9. On 23 May 2025, The Management Board of Apator S.A., concluded an annex to the Multi-Purpose Agreement between PKO BP SA and the following companies of the Apator Group: Apator S.A., Apator Powogaz S.A., Apator Metrix S.A. For more information on the Multi-Product Agreement, see item 5.1.1. of this report.
10. On 24 June 2025, an annex to the Multi-product Agreement of 22 June 2016 was concluded between ING Bank Śląski and the companies of the Apator Group: Apator S.A., Apator Powogaz S.A., Apator Metrix S.A., Apator Rector Sp. z o.o., Apator Telemetria Sp. z o.o. More information on the Multi-Product Agreement, see item 5.1.1. of this report.
11. On 25 June 2025 an Ordinary General Meeting of Apator S.A. was held, during which a resolution was passed to appoint Members of the Supervisory Board for a new term of office (for more information, see item 6.3. of this report) and a resolution to pay a dividend from the profit for 2024 in the amount of PLN 0.90 gross per share (for more information, see item 6.4.4. of this report).
12. The Supervisory Board of Apator S.A., on 26 June 2025, appointed, with effect from 26 June 2025, The Management Board of Apator S.A., in its current composition for a new, joint 3-year term of office, ending on the day of the Ordinary General Shareholders Meeting of Apator S.A. in 2028. (more in item 6.3 of this report).

4.2. List of events after the balance sheet date

1. On 10 July 2025, the name of Apator Metra s.r.o. was changed to Apator Powogaz Czechia s.r.o. with its registered office in the Czech Republic (more in item 5.5 of this report).
2. On 18 July 2025, a group of companies was registered in the National Court Register pursuant to Article 211 of the Commercial Companies Code, with Apator Powogaz SA as the parent company and Apator Telemetria sp. z o.o. as the subsidiary (for more details, see item 5.5 of this report).
3. On 30 July 2025, the Management Board of Apator SA announced that the Company's bid had been selected as the most favourable one for Part 1 of the tender procedure announced by Energa - Operator S.A. for "Successive supply of remote reading meters with replacement communication modems."

The total value of this bid is PLN 127 million, including the value of the basic order of PLN 123.5 million. Deliveries will be made within 36 months from the date of the conclusion of the agreement. Participants in the tender procedure have the right to appeal against the results of the tender in

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accordance with the regulations of Energa – Operator S.A., therefore the conclusion of the contract is envisaged after the completion of any appeal proceedings.

4. The Management Board of Apator S.A., on 8 August 2025, concluded an Annex to the Agreement on the establishment of an innovation partnership with Enea Operator sp. z o.o., enabling the acceleration and increase of the number of planned deliveries of 1- and 3-phase automatic reading meters ("ARM") as part of the so-called first Call for Proposals. Under the annex, Apator S.A. will deliver additional AMR meters worth PLN 96.6 million. In connection with the above, the total value of deliveries made in the period from December 2025 to December 2027 will amount to PLN 158.9 million. In addition, the Annex provides for the possibility of early completion of stages II and III and acceleration of deliveries under stage IV. Currently, Apator S.A. is implementing stage II of the agreement, which covers R&D work aimed at achieving the functionality required by the Ordering Party.

5. Additional information

5.1. Credits, loans, guarantees

The state of credits and loans of the Apator Group:

Specification	as at		Change
	30 June 2025	31 December 2024	
Long-term credits and loans	22,159	24,621	-2,462
Short-term credits and loans	92,518	90,226	2,292
Total credits and loans	114,677	114,847	-170

5.1.1. Credits

As at 30 June 2025, the status of significant credit agreements is as follows:

1. Apator Group

- a) Multi-product agreement of 22 June 2016

On 24 June 2025, an annex was signed between ING Bank Śląski S.A. and the following Apator Group companies: Apator S.A., Apator Powogaz S.A., Apator Metrix S.A., Apator Rector Sp. z o.o., and Apator Telemetria Sp. z o.o. Pursuant to the annex, the amount of the revolving credit facility for the current financing of the companies is set at PLN 210 million. The credit repayment date is 29 June 2028. The credit limit can be used in the form of working capital credits, bank guarantees, letters of credit and discount transactions for the redemption of receivables by the Bank in the form of supplier financing. The interest rate on the limit is based on the WIBOR/EURIBOR 1M rate increased by the bank margin.

The collateral of the Agreement is as follows:

- registered pledges on the companies' inventory of a total value of PLN 145.2 million,
- registered pledges on fixed assets of the companies with a total value of PLN 39 million,
- mortgage on the real estate of Apator S.A. up to the value of PLN 40 million,
- assignment of rights under the insurance policy for the above collateral,
- blank promissory note and promissory note declarations issued by the borrowers.

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The obligations under the granted limit are jointly borne by the companies, up to a maximum amount of PLN 210 million.

As at 30 June 2025, the use of limits by the Apator Group under the concluded multi-product agreement was:

- PLN 71,6 million in used credit limits,
- PLN 8.9 million in issued guarantees and letters of credit,
PLN 1.1 million in supplier financing transactions.

b) Multi-purpose agreement of 26 May 2023

On 23 May 2025, Powszechna Kasa Oszczędności Bank Polski S.A. and companies of Apator Group: Apator S.A., Apator Powogaz S.A. and Apator Metrix S.A. concluded an annex to the multi-purpose credit limit agreement for a total amount of PLN 80 million. Under the annex, the financing period was extended until 31 May 2028. The limit can be used in the form of working capital credits, bank guarantees and letters of credit. The interest rate on the limit is based on WIBOR/EURIBOR 1M, SOFR/SONIA ON plus the bank's margin.

As at 30 June 2025, the collaterals for the contract are:

- registered pledges on fixed assets of the companies with a total value of PLN 13.4 million,
- registered pledge over inventory of PLN 20 million,
- a joint mortgage on the Żerniki and Tczew properties up to PLN 182.8 million,
- assignment of rights under the insurance policy for the above collateral,
- declaration of submission to execution under Art. 777 of the Civil Code, up to the amount of PLN 80 million, issued by each company.

As at 30 June 2025, the use of limits by Apator Group companies under the concluded agreement was:

- PLN 6.2 million in utilised credit limits.
- PLN 27 million in issued guarantees and letters of credit.

2. Apator Powogaz S.A.:

a) on 4 December 2020, concluded with PKO Bank Polski S.A. with its registered office in Warsaw, an investment credit agreement in the amount of PLN 39.1 million with the possibility of increasing it to PLN 41 million. On 6 May 2022, an annex was concluded, which increased the financing amount by PLN 0.9 million. The credit was used to finance the acquisition of land and the construction of a production facility in Jaryszki near Poznań, on the basis of an agreement with the General Contractor. The interest rate is determined as follows:

- up to PLN 39.1 million – fixed interest rate of 1.3% p.a. increased by the Bank margin.
- above PLN 39.1 million and up to PLN 41.9 million – interest rate based on a variable interest rate of WIBOR 1M increased by the Bank margin.

As at 30 June 2025, credit collateral includes:

- blank promissory note and promissory note declaration,
- joint mortgage on the real estate in Żerniki with a multi-purpose agreement for the total amount of
PLN 182.8 million,
- assignment of rights under the insurance policy on the mortgaged property.

The credit repayment period is determined to be from 31 July 2022 to 4 December 2030. As at 30 June 2025 the debt under the above credit amounted to PLN 27.1 million.

b) On 5 June 2023, the company concluded with PKO Faktoring S.A. a factoring agreement with a financing limit of up to PLN 15 million, effective until 4 June 2024. The agreement was automatically rolled over for the following year. The interest rate was determined based on the WIBOR/EURIBOR

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1M rate plus margin. The agreement is secured by a power of attorney to the bank account and a blank promissory note with a promissory note agreement. The agreement expired on 30 June 2025.

- c) has entered into a factoring agreement with ING Commercial Finance Polska S.A. with a limit of up to PLN 4.5 million to finance current operations. On 22 September 2022, an annex to the above agreement was signed extending the method of financing to both with and without assuming the solvency risk of customers. The interest rate on the financing was set at a variable rate, depending on use, equal to WIBOR 1M or EURIBOR 1M plus the Bank's margin. The agreement is secured by a blank promissory note. As at 30 June 2025, the company has not used the funding.

3. Apator Powogaz Czechia s.r.o. (formerly Apator Metra s.r.o.) has a credit from Raiffeisenbank, a.s. in the amount of CZK 30 million, the purpose of which is to finance current business activities. The agreement is concluded for an indefinite period. The interest rate was determined based on the variable 1D PRIBOR rate plus the bank margin. The credit is secured by a pledge on property in the amount of CZK 50,4 million (i.e. PLN 8.6 million at the average ING exchange rate as at 30 June 2025 for CZK = PLN 0.1714), together with the assignment of rights under the all-risk property insurance policy. As at 30 June 2025, the company did not use the credit line.

4. On 24 March 2022, **Apator Telemetria Sp. z o.o.** concluded with mBank S.A. an e-credit agreement for supplier financing, with a limit of PLN 7 million. The interest rate on the financing was set at a variable rate, depending on use, equal to WIBOR 1M or EURIBOR 1M plus the Bank's margin. The agreement was not extended and expired on 30 June 2025.

In H1 2024, no bank terminated a credit agreement for any company of the Apator Group, and the companies of the Apator Group were duly repaying their liabilities under the concluded credit agreements.

5.1.2. Loans

In H1 2025 the companies in the Apator Group did not grant loans to entities outside the Group.

As at 30 June 2025:

- Apator Powogaz S.A. has a receivable under a consolidated loan in the amount of EUR 1.5 million granted to the subsidiary Apator Miitors ApS. The nominal interest rate on the loan is 5,7%. On 20 November 2020, Apator Powogaz and Apator Miitors ApS concluded an annex extending the loan repayment period until the end of 2029. As at 30 June 2025, the outstanding amount of the loan, including interest, was EUR 652.3 thousand (i.e. PLN 2.77 million at the average ING exchange rate as at 30 June 2025 for EUR = PLN 4.2403).
- Apator S.A. has a receivable due to the loan granted to the subsidiary Apator Powogaz S.A. in the amount of PLN 10 million. The loan interest rate is 2.2% plus the WIBOR rate for 3M deposits. The loan is repaid in 10 monthly instalments starting from January 2025. As at 30 June 2025, the outstanding amount of the loan, including interest, was PLN 4,090.7 thousand.
- Apator Mining Sp. z o.o. holds a receivable from a loan granted to its subsidiary, Apator Powogaz S.A., in the amount of PLN 2,5 million. The loan interest rate is 2.2% plus the WIBOR rate for 3M deposits. The loan will be repaid in 18 monthly instalments starting on 30 June 2025.

5.1.3. Sureties and guarantees

In the first half of 2025, the Apator Group companies did not grant any sureties to entities outside or from the Group.

As at 30 June 2025, the Apator Group had active guarantees issued by insurers and banks.

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5.2. Pending proceedings before a court, arbitration body or public administration body

The current proceedings concerning the liabilities or receivables of Apator S.A. before a court, an authority competent for arbitration proceedings or a public administration authority concerning the Issuer and the companies from the Group of Companies are not significant.

5.3. Transactions with related entities

The Apator Group companies cooperate in business areas, including financial activity and support functions (mainly IT). Within this cooperation in the first half of 2025, as in earlier periods, neither Apator S.A. nor any of its subsidiaries entered into transactions with related entities concluded on terms other than arm's length terms.

5.4. Entities subject to consolidation as at 30 June 2025

- parent entity – Apator S.A.,
- direct subsidiaries subject to consolidation using the full method:

Segment	Business line	Company	Registered office	Share in capital	Relation with Apator S.A.
Electricity (EE)	Electricity metering	FAP Pafal S.A.	Świdnica	100%	Subsidiary of Apator S.A.
	ICT	Apator Rector Sp. z o. o.	Zielona Góra	100%	Subsidiary of Apator S.A.
	Trading in mining equipment (small-scale activity – not a business line)	Apator Mining Sp. z o. o.	Katowice	100%	Subsidiary of Apator S.A.
Electricity/Gas / Water and Heat	Electricity and gas metering Water and heat	Apator GmbH	Berlin (Germany)	100%	Subsidiary of Apator S.A.
Gas	-	Apator Metrix S.A.	Tczew	100%	Subsidiary of Apator S.A.
Water & Heat (W&H)	-	Apator Powogaz S.A.	Jaryszki	100%	Subsidiary of Apator S.A.
		Apator Powogaz Czechia s. r. o. (formerly Apator Metra s.r.o)	Sumperk (Czech Republic)	100%	Indirect subsidiary of Apator S.A. through Apator Powogaz S.A.

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Segment	Business line	Company	Registered office	Share in capital	Relation with Apator S.A.
					Indirect participation through Apator Powogaz S.A.
		Apator Miitors ApS	Aarhus (Denmark)	100%	Indirect subsidiary of Apator S.A. through Apator Powogaz S.A. Indirect participation through Apator Powogaz S.A.
		Apator Telemetry Sp. z o. o.	Ślupsk	92.69%	Direct subsidiary of Apator S.A. in 20.8% and indirect subsidiary of Apator Powogaz S.A. in 71.89%

5.5. Changes in the organisation of the Apator Group

During the first half of 2025, and after the balance sheet date, there was a change in the organisation of the Apator Group:

Establishment of Apator Powogaz Italia Srl (Italy)

On 30 January 2025, the distribution company Apator Powogaz Italia Srl, with its registered office in Padua (Italy), 100% subsidiary of Apator Powogaz SA, was established. The company was established to strengthen Apator's position in the Italian market and develop sales, especially in ultrasonic water meters, due to the ongoing replacement of metering devices in Italy.

Sale of tangible and intangible assets and contractual relationships related to IT activities in the gas segment by Apator S.A. to Apator Rector sp. z o.o.

On 2 January 2025, Apator S.A. sold tangible and intangible assets related to IT solutions for the gas sector to Apator Rector sp. z o.o. for PLN 4 million (including CSKDP system). The subject of the transaction were components such as:

- author's property rights to software,
- products with technology and list of customers,
- trademarks,
- contracts covering the gas segment,
- tangible and intangible assets,
- inventories,
- equipment.

Apator Rector Ltd. will continue to develop the CSKDP system (central measurement data collection system) for PSG Ltd. and the production and servicing of cathodic protection devices within its structures.

Merger of FAP PAFAL S.A.

On 25 June 2025 the Ordinary General Shareholders Meeting adopted a resolution on the merger of Apator S.A. with its registered office in Toruń, as the Acquiring Company, with its subsidiary Fabryka Aparatury Pomiarowej PAFAL S.A. with its registered office in Świdnica, as the Acquired Company. The resolution was adopted pursuant to Article 492 § 1 item 1 of the CCC, i.e. by transferring all the assets of the Acquired Company to the Acquiring Company. Due to the fact that Apator S.A. owns 100% of the shares in FAP Pafal S.A., the merger will take place under a simplified procedure pursuant to Article 516 § 6 of the Code of Commercial Companies, without the increase of the share capital of the Issuer and without the issue of new shares.

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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 of FAP Pafal S.A.'s assets into Apator S.A. as of 2 January 2026

Change of name of Apator Metra s.r.o. to Apator Powogaz Czechia s.r.o. with its registered office in Czech Republic

As part of measures aimed at strengthening the uniform identity of the Apator Powogaz SA Group on international markets, the trade name of the subsidiary Apator Metra s.r.o. to Apator Powogaz Czechia s.r.o. (effective from 10 July 2025).

Establishment of a Group of Companies pursuant to Article 21¹ of the CCC.

On 18 July 2025, the Group of Companies was registered in the National Court Register, established pursuant to Article 21¹ of the Commercial Companies Code, with Apator Powogaz SA as the parent company and Apator Telemetry sp. z o.o. as the subsidiary.

The establishment of a group of companies in accordance with the Commercial Companies Code is related to the pursuit of a common strategy to achieve a common interest (the interest of the group of companies), justifying the parent company's exercise of uniform management over the subsidiary. The main objectives of establishing a group of companies are:

- more effective functioning of both companies,
- increasing the competitiveness of products manufactured within the group of companies,
- reducing their operating costs,
- streamlining the communication process,
- simplifying settlement processes.

Furthermore, since 2024, GWi Ltd. has been in the process of liquidation. The status of this company is as follows:

On 5 April 2024, The Management Board of Apator S.A., in the current report mode informed that GWi Ltd. with the registered seat in Coventry in UK (the company of the Gas Segment and 100% subsidiary of Apator Metrix S.A.) intends to terminate its activity as a result of unfavourable development of the situation on the British gas market.

Therefore:

- control over GWi Ltd. has been lost (in accordance with IFRS 10) and, as a result, this company is no longer subject to consolidation as of 12 April 2024;
- following a management procedure of the so-called “pre-pack insolvency strategy”, on 10 June 2024, the so-called administration of GWi Ltd. was announced by the British court, and two co-administrators conducting those proceedings were appointed,
- creditors of GWi Ltd., including Apator Metrix S.A., in accordance with the British law notified their claims against GWi Ltd,
- on 7 January 2025, the joint administrators issued a report on the actions undertaken, which included the following:
 - the sale of the company's assets up to the amount of GBP 600,000 (the final amount depending on the future results achieved by the new owner),
 - the takeover of all the company's employees by the new owner of the sold assets,
 - the allocation of funds obtained from the sale of the company's assets, in accordance with British law, primarily to repay privileged creditors (e.g. tax authorities),

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- after completion of the administration proceedings, GWi Ltd. will be liquidated,
- Apator Metrix S.A. (by virtue of being a joint and several debtor) took over the credit of GWi Ltd. in the amount of GBP 4 million from the bank PKO BP S.A. under the Multi-Target Agreement concluded on 26 May 2023. This credit has been repaid by Apator Metrix S.A. .

In connection with the loss of control of GWi Ltd, the assets and liabilities of the entity were excluded from the consolidated financial statements as on the date of loss of control.

Apart from the aforementioned information, during the first half of 2025, and until the date of publication of this report, there were no other changes in the structure of the entity, including as a result of business combinations, acquisitions or sales of entities in the Issuer's Group of Companies, long-term investments, demergers and restructurings.

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6. Parent company - Apator S.A.

Pursuant to Art. 62 sec. 6 of the Regulation of the Minister of Finance on current and periodic information, the Company has prepared the report of the Management Board on the activities of the parent company Apator S.A. and the Group of Companies and their statements, respectively, in the form of a single document. The other required elements of the report on the Company's activities not included in chapter

6 are the same as this report of the Management Board on the activities of the Apator Group.

6.1. Activity of Apator S.A.

Within the business model, the activity of Apator S.A. is included in the Electricity segment and is divided into three business lines: electricity metering, switchgear and automation.

Business unit  electricity			
Business division	 electricity metering	 switchgear	 automation  ICT
Solutions	Electricity meters: <ul style="list-style-type: none"> smart, including RES meters utility prepayment industrial Reading systems <div style="display: flex; justify-content: space-around; align-items: center;">  <div style="text-align: center;"> SmartESOX pro meter for RES </div>  </div> <p>Otus 3 smart meter</p>	Energy distribution devices: <ul style="list-style-type: none"> disconnectors, including for RES solution fuse bases connectors Switchgear monitoring systems <div style="display: flex; justify-content: space-around; align-items: center;">  <div style="text-align: center;"> Compass switch disconnector </div>  <div style="text-align: center;"> ARS vertical fuse switch disconnector </div> </div>	Smart devices and automated protection systems: <ul style="list-style-type: none"> Smart controllers WN/SN/nn SN security WN security station automation short-circuit current flow indicators Telemechanics <div style="display: flex; justify-content: space-around; align-items: center;">  <div style="text-align: center;"> MST 2 </div> </div> Automation in industry SCADA software Digital RES monitoring system Energy storage <div style="display: flex; justify-content: space-around; align-items: center;">   </div>
Main customers	distribution system operators (DSO)	Electricity grid wholesalers, electrical assembly, and electrical installation companies	Energy plants, construction, industry, photovoltaic and wind farms, energy clusters and cooperatives, other RES sector entities
Main markets	Poland, Germany	Poland, Brazil, Romania, Germany, Czech Republic, Hungary	Poland
Scale of sales in H1 2025	PLN 167,3 million	PLN 56,0 million	PLN 26,2 million
Line share in total sales	67.1%	22.4%	10.5%
Share of exports in line revenue	10.0%	38.8%	0.0%

Name of the entity:	Apator Group		
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6.2. Financial results

In the first half of 2025, Apator S.A. achieved the following financial results:

Specification	H1 2025 (k PLN)	H1 2024 (k PLN)	Change y/y (k PLN)	Growth rate (%)
Sales revenue, including:	249,544	274,365	-24,821	91.0%
Country	211,099	225,841	-14,742	93.5%
Exports	38,445	48,524	-10,079	79.2%
Cost of goods sold	183,068	202,545	-19,477	90.4%
Gross profit from sales	66,476	71,820	-5,344	92.6%
Sales costs	10,644	10,205	439	104.3%
Management and administration costs	35,661	33,711	1,950	105.8%
Profit on sales	20,171	27,904	-7,733	72.3%
Change in write-downs on receivables	21	88	-67	23.9%
Result on other operating activities	1,727	-969	2,696	-
Operating profit	21,919	27,023	-5,104	81.1%
EBITDA	35,137	38,346	-3,209	91.6%
Result on financial activities	5,375	3,281	2,094	163.8%
Profit before tax	27,294	30,304	-3,010	90.1%
Current income tax	-600	-1,702	1,102	35.3%
Deferred income tax	-4,086	3 480	-606	117.4%
Net profit	22,608	25,122	-2,514	90.0%
Profitability ratios:				
Gross profit margin on sales	26.6%	26.2%	+0.4 pp.	
Profit margin on sales	8.1%	10.2%	-2.1 pp.	
EBITDA margin	14.1%	14.0%	+0.1 pp.	
Net profit margin	9.1%	9.2%	-0,1 pp.	

Key factors influencing the results of Apator S.A. are the same as for the Apator Group, particularly for the Electricity segment, and are presented in item 2 of this report.

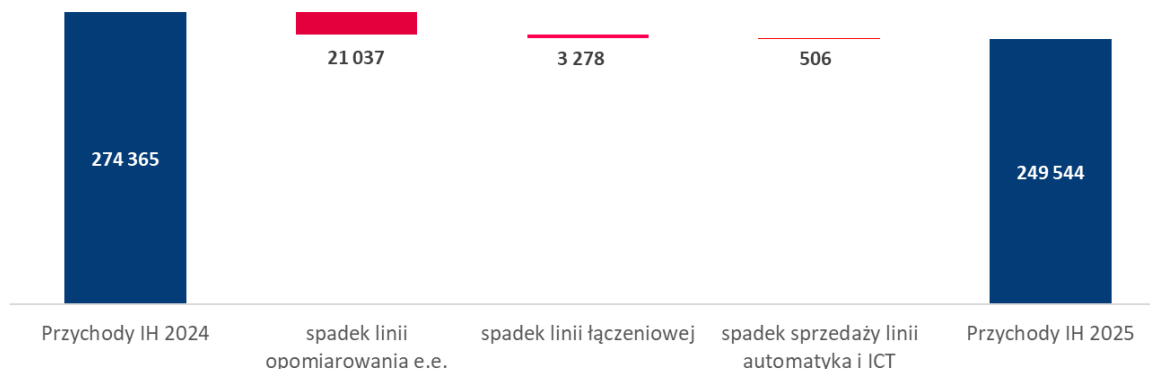
Foreign sales

Apator S.A.'s sales after the first half of 2025 amounted to PLN 249.5 million, 9% lower than in H1 2024. This decrease was caused by:

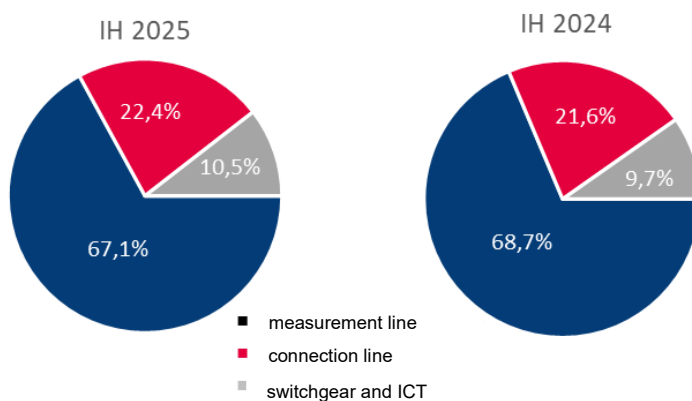
- lower sales results in the electricity metering line in Poland (-5% y/y) and in exports (-43% y/y). Lower domestic sales are the result of a high base and record results in H1 and Q2 2024 related to large deliveries of smart meters as part of the ongoing roll-out in Poland. In 2025, Apator continues to deliver smart meters and solutions for medium-voltage station balancing and remote meter communication in accordance with schedules agreed with clients. Lower exports of meters are related to lower y/y deliveries to the German market as a result of a reduction in the number of tenders announced there, already visible in 2024;
- slightly weaker year-on-year sales results for switchgear due to a decline in domestic turnover (-15% year-on-year), which was largely offset by higher exports (+14% year-on-year). Maintaining results, especially outside Poland, is related to systematic activities aimed at strengthening Apator's position amid increasingly fierce price competition;
- a slight decline in sales in the automation line (-2% r/r), resulting from limited demand for some of the traditional solutions offered (including, among others, network operation and monitoring devices, substations, and protection automation systems), as well as postponement of the implementation of some projects to the second half of the year.

-9%

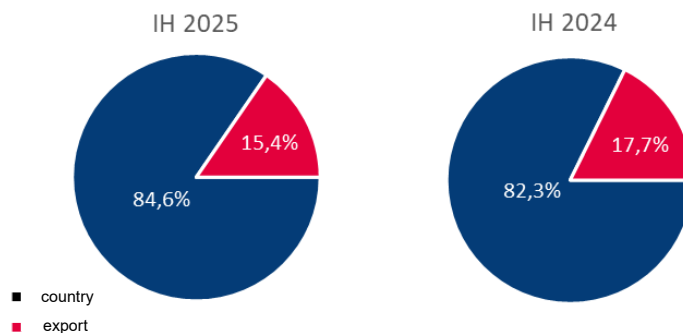
Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
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Due to the above changes, the share of the metering line in Apator S.A.'s total revenues decreased in H1 2025 by 1.6 pp. year-on-year, while the share of the other two lines, i.e. switchgear, automation and ICT, increased comparably (by 0.8 p.p. in both cases).



As a result of a significantly smaller decline in sales in Poland (-7% y/y) compared to the decline in exports (-21% y/y), the importance of domestic sales increased in H1 2025 by 2.3 pp., thus reaching 84.6% of the company's total turnover. In the first half of 2025, the largest export markets were Germany, Brazil, Romania, Turkey and Hungary. In all of the above-mentioned markets (except for Germany mentioned above), Apator's turnover increased year-on-year. Higher year-on-year turnover was also recorded in Slovenia and in the previously less significant Scandinavian countries (Sweden, Finland).



Name of the entity:	Apator Group		
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Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

Operating costs by function and nature

Specification	H1 2025 (k PLN)	H1 2024 (k PLN)	Change y/y (k PLN)	Growth rate (%)
Costs by function				
Cost of goods sold (COGS)	183,068	202,545	-19,477	90.4%
Selling, general and administrative expenses (SG&A)	46,305	43,916	2,389	105.4%
Total	229,373	246,461	-17,088	93.1%
Costs by nature				
Amortisation and depreciation	13,218	11,323	1,895	116.7%
Consumption of materials and energy	122,699	125,075	-2,376	98.1%
External services	34,328	31,227	3,101	109.9%
Employee benefits	61,371	57,114	4,257	107.5%
Other	8,231	6,482	1,749	127.0%
Change in finished goods, work in progress and prepayments and accruals	-10,311	12,806	-23,117	-
Manufacturing costs of products for entity's own purposes	-6,103	-4,243	-1,860	143.8%
Cost of goods and materials sold	5,940	6,677	-737	89.0%
Total	229,373	246,461	-17,088	93.1%

The decrease in the cost of sales at Apator S.A. is correlated, as in the entire Apator Group, with a decrease in the scale of revenues, and the rate of the decrease in COGS is slightly higher than the decrease in revenues. This translated into a slight improvement in the gross sales margin year-on-year, despite cost-intensive macroeconomic factors (an increase in the minimum wage and a relatively high inflation rate in Poland).

Due to higher SG&A costs y/y (which were affected by the same macroeconomic factors and which, compared to COGS, are much less flexible in responding to changes in sales volume), the sales margin in H1 2025 was lower y/y, and the share of SG&A costs in revenues increased (from 16.0% of turnover in H1 2024 to 18.6% a year later). Nevertheless, their level at Apator S.A. – as in the entire Apator Group – is subject to ongoing control and is optimised through measures aimed, among other things, at further improving operational efficiency and greater integration of activities.

In the structure of costs by type, the largest items are costs of materials, salaries and third-party services (percentage shares in H1 2025 were 53%, 27% and 15% of total costs, respectively). Material and energy consumption costs in the first half of 2025 were lower than in the previous year, which was related to a decrease in turnover. Production material costs were more favourable than a year before, which was also positively impacted by the strengthening of Polish zloty (mainly against the dollar). On the other hand, costs derived from the still high inflation in Poland (including the costs of subcontracting, temporary employees and transport) and wage costs (increase in the minimum wage) increased to a greater extent.

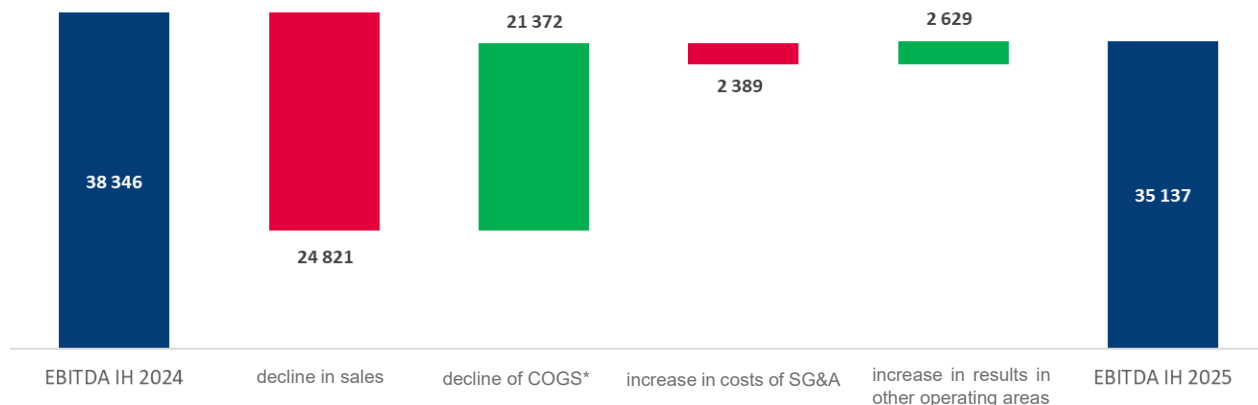
EBITDA

The factors described above, i.e., lower sales in relation to costs incurred, resulted in a decline in results at all levels of the income statement.

The result on other operating activities was higher than in H1 2024 (+PLN 2.7 million y/y), which was mainly due to the partial release of last year's provisions for liabilities in the current year (result on provisions +PLN 0.5 million in H1 2025 ver. PLN -0.9 million in H1 2024) and a positive result on the sale of fixed assets (+PLN 1.9 million in H1 2025, i.e. PLN 1.6 million above the H1 2024 result). The above factors determined the lower y/y EBITDA result, but with a slightly higher EBITDA margin.

-8%

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* Cost of goods sold (COGS) less depreciation

Net result

Net profit after H1 2025 amounted to PLN 22.6 million, a decrease of 10% decrease y/y. The factors listed above had an impact on the net result. In addition, the net profit was also affected by the result on financial activities (up by PLN 2.1 million y/y, including PLN 1.4 million higher foreign exchange differences), lower interest costs, interest on a loan granted by the company and a slight increase in the level of dividends received.

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

6.3. Composition of management and supervisory bodies of the parent company

Supervisory Board

Until 24 June 2025, the Supervisory Board performed its duties in the following composition:

- | | | |
|-------------------------|---|--|
| 1. Janusz Niedźwiecki | – | Chairman of the Supervisory Board, |
| 2. Mariusz Lewicki | – | Deputy President of the Supervisory Board, |
| 3. Janusz Marzygliński | – | Supervisory Board Member, |
| 4. Danuta Guzowska | – | Supervisory Board Member, |
| 5. Kazimierz Piotrowski | – | Supervisory Board Member, |
| 6. Marcin Murawski | – | Supervisory Board Member, |
| 7. Tadeusz Sosgórnik | – | Supervisory Board Member. |

On 25 June 2025 The General Shareholders Meeting of Apator S.A. appointed the Supervisory Board of Apator S.A. for a new, joint 5-year term of office. In connection with the above, as at 30 June 2025 and as at the date of publication of this report, the composition of the Supervisory Board is as follows:

- | | | |
|----------------------------------|---|--|
| 1. Janusz Niedźwiecki | – | Chairman of the Supervisory Board, |
| 2. Mariusz Lewicki | – | Deputy President of the Supervisory Board, |
| 3. Janusz Marzygliński | – | Supervisory Board Member, |
| 4. Monika Guzowska | – | Supervisory Board Member, |
| 5. Kazimierz Piotrowski | – | Supervisory Board Member, |
| 6. Grażyna Sudzińska-Amroziewicz | – | Supervisory Board Member, |
| 7. Tadeusz Sosgórnik | – | Supervisory Board Member. |

The current 5-year term of the Supervisory Board began on the date of the Annual General Meeting approving the 2024 statements, on 25 June 2025 and will last until the date of the Annual General Meeting in 2030.

Management Board

In connection with the end of the Management Board's term of office, on 26 June 2025, the Supervisory Board appointed the Management Board with the same composition for a new 3-year term of office. Therefore, in the first half of 2025 and as at the moment of publication of this report, the composition of the Management Board of Apator S.A. is as follows:

- | | | |
|---------------------|---|---------------------------------|
| 1. Maciej Wyczęsany | – | Chairman of the Board, |
| 2. Łukasz Zaworski | – | Member of the Management Board. |

The joint term of office of the Management Board lasts three years and the terms of office of Management Board Members expire on the day of the Annual General Meeting to be held in 2028.

6.4. Shares, Shareholders

6.4.1. Share capital

As at 30 June 2025, and at the date of publication of this report, the share capital of Apator S.A. amounts to PLN 3,264,707.30 and consists of 32,647,073 shares with a nominal value of PLN 0.10 each, which is divided as follows:

As at 29 August 2025				
	Number of	Share structure %	Number of votes	Structure of votes %
Registered shares	7,326,515	22.4%	29,306,060	53.6%
Bearer shares	25,320,558	77.6%	25,320,558	46.4%

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

As at 29 August 2025				
	Number of	Share structure %	Number of votes	Structure of votes %
Total shares	32,647,073	100.00%	54,626,618	100.00%

Each bearer share gives the right to one vote, while registered shares are preference shares – one share gives the right to four votes at the general meetings.

6.4.2. Ownership status and changes in the structure of significant shareholders

Information on shareholders holding at least 5% of the total number of votes:

Specification	As at 16 May 2025				As at 29 August 2025				Change in status
	shares	votes	shares (%)	votes (%)	shares	votes	shares (%)	votes (%)	
Apator Mining Ltd.	3,600,000	3,600,000	11.03%	6.59%	3,600,000	3,600,000	11.03%	6.59%	-
PTE Allianz Polska S.A.*	4,545,864	4,545,864	13.92%	8.32%	4,545,864	4,545,864	13.92%	8.32%	-
Mariusz Lewicki	2,338,000	5,900,128	7.16%	10.80%	2,348,000	5,910,128	7.19%	10.82%	10,000
Stella AMP Family Foundation together with Tadeusz Sosgórnik and an affiliated entity	1,915,500	6,655,500	5.87%	12.18%	1,873,000	6,763,000	5.74%	12.38%	- 42 500
Danuta Guzowska	1,520,279	4,382,921	4.66%	8.02%	1,520,279	4,382,921	4.66%	8.02%	-
Zbigniew Jaworski	1,545,548	3,844,592	4.73%	7.04%	1,545,548	3,844,592	4.73%	7.04%	-
Kazimierz Piotrowski with a closely associated person	823,955	2,818,277	2.52%	5.16%	823,955	2,818,277	2.52%	5.16%	-
Total	12,198,146	27,902,690	49.89%	58.11%	16,256,646	31,864,872	49.79%	58.33%	-32,500

*) Shares held by PTE Allianz Polska S.A. determined based on a notification from PTE Allianz Polska S.A. of 5 January 2023. The balance includes shares credited to the account of Allianz OFE (due to the liquidation of Drugi Allianz OFE and the transfer of its assets to Allianz OFE) and Allianz DFE. In addition, according to information from PTE Allianz Polska S.A. of 12 May 2023, after the liquidation of Drugi Allianz OFE, 4,539,876 shares, representing 13.91% of the Company's share capital, were credited to Allianz OFE's account, which gives the right to exercise 4,539,876 votes from shares representing 8.31% of the total number of votes at the General Meeting.

6.4.3. Ownership and changes in shareholding by management and supervisory personnel holding shares of Apator S.A.

Specification	As at 16 May 2025*				As at 29 August 2025*				Change in status
	shares	votes	shares (%)	votes (%)	shares	votes	shares (%)	votes (%)	
Supervisory Board Mariusz Lewicki	2,338,000	5,900,128	7.16%	10.76%	2,348,000	5,900,128	7.19%	10.82%	10,000
Supervisory Board Tadeusz Sosgórnik	1,737,500	6,402,500	5.32%	11.45%	786,898	2,667,592	2.41%	4.88%	- 950,602
Supervisory Board Danuta Guzowska**	1,520,279	4,382,921	4.66%	8.02%	-	-	-	-	-
Supervisory Board Janusz Marzygliński	258,631	772,213	0.79%	1.64%	223,357	676,939	0.68%	1.24%	-35,274
Supervisory Board Kazimierz Piotrowski	587,147	2,107,853	1.80%	3.86%	587,147	2,107,853	1.80%	3.86%	-
Supervisory Board Janusz Niedźwiecki	255,810	945,117	0.78%	1.73%	255,810	945,117	0.78%	1.73%	-

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

Specification	As at 16 May 2025*				As at 29 August 2025*				Change in status
	shares	votes	shares (%)	votes (%)	shares	votes	shares (%)	votes (%)	
Supervisory Board Monika Guzowska***	-	-	-	-	120	120	0.00%	0.00%	-
Supervisory Board Grażyna Sudzińska-Amroziewicz	-	-	-	-	0	0	0	0	-
Total	6,697,367	20,510,732	20.37%	37.46%	4,201,332	12,297,749	12.86%	22.53%	-975,876

The Management Board of Apator S.A., does not hold any shares in Apator S.A.

*) The data includes only shares held by management and supervisory personnel, not including shares held by close friends and relatives.

**) Ms Danuta Guzowska served as a member of the Supervisory Board until the date of the Ordinary General Shareholders Meeting of Apator S.A., i.e. by 25 June 2025.

***) Member of the Supervisory Board appointed at the Ordinary General Shareholders Meeting of Apator S.A. on 25 June 2025

6.4.4. Profit dividend for 2024

On 25 June 2025 the Ordinary General Shareholders Meeting of Apator SA decided to pay a dividend from the profit for 2024 in the amount of PLN 0.90 gross per share. The total amount allocated for the dividend, according to the decision of the General Meeting, is PLN 29,382,365.70:

1. An advance dividend from the 2024 profit, totalling PLN 9,794,121.90, or PLN 0.30 gross per share, will be paid on 12 December 2024. The right to advance payment was obtained by shareholders holding shares of Apator S.A. on 6 December 2024.
2. The remaining part of the dividend in the total amount of PLN 19,588,243.80, i.e. PLN 0.60 gross per share, will be paid on 11 September 2025. Shareholders holding shares in Apator SA on 28 August 2025 were entitled to this part of the dividend.

As many as 32,647,073 registered A series shares and A, B and C series bearer shares were entitled to payment of the advance dividend:

Advance profit dividend for 2024	Number of shares	Advance profit dividend per 1 share	Advance dividend paid on 12 December 2024
Registered shares	7,326,515	PLN 0.30	PLN 2,197,954.50
Bearer shares	25,320,558	PLN 0.30	PLN 7,596,167.40
Total shares	32,647,073	PLN 0.30	PLN 9,794,121.90

As many as 32,647,073 registered A series shares and A, B and C series bearer shares are entitled to payment of the remaining part of the dividend:

Remaining profit dividend for 2024	Number of shares	Remaining dividend per 1 share	The remaining part of the dividend will be paid on 11 September 2025.
Registered shares	7,326,515	PLN 0.60	PLN 4,395,909.00
Bearer shares	25,320,558	PLN 0.60	PLN 15,192,334.80
Total shares	32,647,073	PLN 0.60	PLN 19,588,243.80

Apator S.A. since its stock exchange debut in 1997, has paid its shareholders approx. PLN 550 million in dividends and share buyback programs.

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

7. Principles of preparation of condensed separate and consolidated semi-annual financial statements and statement of the Management Board

7.1. Principles of preparation of condensed separate and consolidated semi-annual financial statements

The principles of preparation of the condensed semi-annual separate financial statements are described in section 2 of the condensed semi-annual separate financial statements of the Apator Group for the period from 1 January to 30 June 2025.

The principles of preparation of the consolidated semi-annual separate financial statements are described in section 2 of the condensed semi-annual consolidated financial statements of the Apator Group for the period from 1 January to 30 June 2025.

7.2. Statement of the Management Board of Apator S.A. regarding the preparation of the financial statements and the report of the Management Board

The Management Board of Apator S.A., declares that, to the best knowledge of the Management Board, the condensed semi-annual separate and condensed semi-annual consolidated financial statements for the first half of 2025 of the Apator Groups have been prepared in accordance with International Accounting Standard IAS 34 “Interim Financial Reporting”. Both Apator S.A. and Apator Group apply the provisions of the Accounting Act and the subordinate legislation issued based on it, in the scope not regulated by IAS/IFRS.

Condensed semi-annual individual and condensed semi-annual consolidated financial statements reflect, in a true, reliable and clear manner, the property and financial situation of Apator S.A., Apator Group and their financial result. Detailed principles for the preparation of these statements are included in the notes to the condensed semi-annual separate and condensed semi-annual consolidated financial statements.

Report of the Management Board on activity of Apator S.A. and the Apator Group includes the true picture of development, achievements and condition of the Company and the Group, including the description of basic risks and threats.

8. Information on the statutory auditor and the statement of the Management Board of Apator S.A. on selection of the statutory auditor

The audit of the condensed semi-annual separate financial statements and the review of the condensed semi-annual consolidated financial statements were conducted by the entity authorised to audit financial statements - the company KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp. with its registered office in Warsaw

The Management Board of Apator S.A., hereby declares that the entity authorised to audit and review financial statements, KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp. k., which reviewed the condensed semi-annual separate and consolidated financial statements, was selected in accordance with the provisions of law. The entity auditing the statements was chosen by the Supervisory Board of Apator S.A. on 25 March 2024 pursuant to Art. 15 sec. 11 of the Articles of Association of Apator S.A. i.e. in a manner that ensures their independence in carrying out the tasks assigned to them. The selection of the entity authorised to audit financial statements was carried out in accordance with applicable regulations and professional standards. The Supervisory Board of Apator S.A., selected KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp. k. to review and audit the separate and consolidated financial statements for 2024-2025.

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

KPMG Audyt Spółka z ograniczoną odpowiedzialnością Sp. k. - entered in the register of entities authorised to audit financial statements under number 3546, as well as members of its Management Board and chartered auditors performing auditing activities for Apator S.A. and its affiliates, meet the conditions of impartiality and independence set forth in Art. 69 of the Act of 11 May 2017 on Statutory Auditors, audit companies and public supervision.

9. Total

The Management Board of Apator S.A., states that the factors and events indicated in the consolidated interim report include all relevant information on significant achievements and failures, as well as information relevant for the assessment of the situation of the Apator Group, including the personnel, property, financial situation, financial result and changes thereto and the assessment of the possibility of the Company and the Group to meet their liabilities.

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		

Signatures

28 August 2025

Maciej Wyczęsany

President of the Management Board, Chief Executive Officer of the Apator Group

28 August 2025

Łukasz Zaworski

Member of the Management Board, Product Development Director

Apator SA

ul. Gdańska 4a, unit C4,
87-100 Toruń

Correspondence address

Apator SA Centrum
Ostaszewo 57C
87-148 Łysomice

phone +48 (56) 61 91 111
fax +48 (56) 61 91 295
email apator@apator.com
www.apator.com

Name of the entity:	Apator Group		
Period covered by the financial statement:	1 January 2025 – 30 June 2025	Reporting currency:	Polish zloty (PLN)
Rounding level:	all amounts are expressed in PLN thousand (unless otherwise indicated)		