

MERGER PLAN

FOR

APATOR SPÓŁKA AKCYJNA
WITH HEADQUARTERS IN TORUŃ
KRS NO: 0000056456

(THE ACQUIRING COMPANY)

AND

APATOR ELKOMTECH S.A.
WITH HEADQUARTERS IN ŁÓDŹ
KRS NO: 0000009308

(THE ACQUIRED COMPANY)

Agreed, adopted and signed on 2 August 2021.

PREAMBLE

Considering, that:

- Companies participating in the merger belong to the capital group Apator (hereinafter: Apator Group) understood as Apator S.A. (dominant entity) together with subsidiaries of Apator S.A.
- Apator S.A. is the only shareholder of Apator Elkomtech S.A.
- The Executive Boards of the Companies see the need to merge aimed at arrangement and simplification of the structure of the companies within Apator Group where Apator S.A. is the dominant company, especially that the merged companies operate in the same segment of goods and services and they direct their offer to the similar group of contracting parties. The objective of the merger would be also the increase of the effectiveness of the management of the other entities in Apator Group, striving to centralize the economic functions in one entity, the decrease of the costs of operation of Apator Group and the companies in Apator Group, including in particular the costs of management, labour and expenditures for the supplies of materials and rendering of services and also particularly aiming at the simplification of relationships and settlements in Apator Group.
- The Executive Boards of the Companies see the possibility to achieve in result of merger the purposes specified in the preceding point, without significant effects related to such operation in the scope of the impact on reporting and financial data of the Company and Apator Group, among other things, by the performance of the process of merger in the simplified manner with the use of the provisions of art. 516 § 6 of the Polish Commercial Companies Code (CCC), including the possibility to apply the method of merger of shares provided for in art. 44c in relation to art. 44a par. 2 of the Accounting Act of 29th September 1994 (Journal of Laws of 2021, item 217 with amendments). (i.e. Journal of Laws of 2021, item 217, as amended), pursuant to which, in the event of a merger of companies as a result of which control over them is not lost by their existing shareholders, the pooling of interests method referred to in Article 44c of the abovementioned Accounting Act may be applied.

On 2 August 2021, the Executive Boards of the merging Companies agreed, approved and signed, pursuant to the provisions of Article 498 in conjunction with Article 499 of the Act of 15 September 2000 Commercial Companies Code (i.e. Journal of Laws of 2020, item 1526, as amended, hereinafter also referred to as the "CCC"), the following plan of merger:

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

A. The merger involves:

The acquiring company:

Apator spółka akcyjna with the headquarters in Toruń, address: ul. Gdańska 4a, lok c4, 87-100 Toruń, entered in the Register of Entrepreneurs of the National Court Register kept by the District Court in Toruń VII Economic Department of the National Court Register under the number KRS 0000056456, NIP: 8790166896, REGON: 870037630, share capital PLN 3,280,632.80, paid in full, Executive Board: President of the Executive Board Mirosław Klepacki, Member of the Executive Board Tomasz Łątka, Member of the Executive Board Arkadiusz Chmielewski (hereinafter: Apator S.A. or the Acquiring Company)

The Acquiring Company is a public company in the meaning of the Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies (i.e. Journal of Laws 2018, item 512) (hereinafter: "Act on Offering"), whose shares are admitted to trading on a regulated market - the Warsaw Stock Exchange S.A.

and

The Acquired Company:

Apator Elkomtech spółka akcyjna with headquarters in Łódź, address: ul. Wołowa nr 2 C, 93-569 Łódź, entered into the Register of Entrepreneurs of the National Court

Register by the District Court for Łódź-Śródmieście in Łódź, XIV Economic Department of the National Court Register. KRS: 0000009308, NIP: 7270125614, REGON: 008230828, share capital PLN 1,700,250.00, paid in full, Executive Board: President of the Executive Board Tomasz Łątka (hereinafter: Apator Elkomtech or the Acquired Company)

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

B. Merger method:

The merger will take place according to art. 492 par. 1 pt. 1) of the CCC, i.e. by transferring all the assets of the Acquired Company to the Acquiring Company.

The Merger shall be effected without increasing the share capital of the Acquiring Company and without issuing any new shares in the capital of the Acquiring Company.

As a result of the merger, the Acquiring Company shall acquire all the rights and obligations of the Acquired Company, including the ownership of the real property, and the Acquired Company shall be dissolved without liquidation on the date of registration of the merger in the register of entrepreneurs of the National Court Register by the court competent according to the seat of the Acquiring Company.

Due to the fact that the Acquiring Company holds 100% of the shares in the Acquired Company, the merger will take place under a simplified procedure pursuant to Article 516 § 6 of the CCC, and accordingly:

- a) the merger shall be effected without an exchange of shares of the Acquired Company for shares of the Acquiring Company, and pursuant to Art. 516 § 6 second sentence of CCC the provisions of Article 499 § 1 points 2-4 of the CCC do not apply. and consequently, they have not been specified in this merger plan:

- exchange ratio of shares of the Acquired Company for shares of the Acquiring Company or the amount of additional payments (excluding application of art. 499 § 1.2 of the CCC)
- rules concerning the allocation of shares in the Acquiring Company (exclusion of the application of Article 499 § 1.3 of the CCC)
- the date from which shares in the Acquiring Company entitle to participate in the profit of the Acquiring Company (Article 499 § 1.4 of the CCC);

b) pursuant to art. 516 § 6 second sentence of CCC the provision of art. 494 § 4 of the CCC shall not apply, according to which on the day of merger the shareholders of the acquired company or the companies merging by establishing a new company shall become the shareholders of the acquiring company or of the newly established company;

c) pursuant to Art. 516.6, first sentence, in connection with Art. 516.5 of the CCC art. 501-503, art. 505 § 1 points 4-5, art. 512 and art. 513 of the CCC shall not apply to the merger by acquisition covered by this merger plan, i.e. when the Acquiring Company holds shares in the Acquired Company with a total value of 100% of the share capital of the Acquired Company, and therefore

- The executive boards of the merging companies shall not prepare a written report justifying the merger, its legal basis and economic justification, and in particular the share exchange ratio referred to in Article 499 § 1(2) of the C.C.C. (exclusion of the obligation under article 501 § 1 of the C.C.C.);
- The executive boards of the merging companies are not obliged to inform the executive boards of the other companies, so that they could inform the shareholders' meetings or general meetings, about any significant changes in assets and liabilities which occurred between the date of drawing up the merger plan and the date of adopting the merger resolution (exclusion of the obligation under art. 501 § 2 of the Polish CCC);
- the examination of the merger plan by an expert regarding its correctness and reliability, the appointment of the expert, as well as the determination of the expert's remuneration by the registry court (exclusion of the obligation under article 502 of the CCC) is not required and will not be carried out;

- an expert opinion on the examination of the merger plan in terms of its correctness and reliability is not required and will not be prepared (exclusion of the obligation under Article 503 of the Code of Commercial Companies);
 - in connection with the fact that no reports of the Executive Boards of the merging Companies are prepared for the purposes of the merger and no expert opinion is prepared, and pursuant to art. 516 § 6 sentence 1 in connection with art. 516 § 5 in connection with art. 505 § 1 item 4-5 of the CCC the shareholders of the merging Companies do not have the right to review these documents;
 - pursuant to article 516 § 6, first sentence, in connection with article 516 § 5 in connection with articles 512 and 513 of the CCC the provisions concerning the liability of the Members of the Executive Board and Supervisory Boards of the merging Companies towards the shareholders of these Companies as well as the liability of the expert towards the merging Companies and their shareholders shall not apply;
- d) pursuant to the second sentence of Article 516 § 6 of the CCC in the present case, i.e. the Acquiring Company taking over its sole shareholder company, announcing or making available the merger plan referred to in Article 500 § 2 and 21 of the CCC and making the documents referred to in Art. 505 of the Code available must be made at least one month prior to submission of the application for registration of the merger;
- e) pursuant to Article 499 § 4 of the CCC and in connection with the fact that the Acquiring Company, as a public company, publishes and makes available to its shareholders semi-annual financial statements in accordance with the provisions of the Act on Public Offering and Conditions Governing the Introduction of Financial Instruments to Organised Trading and on Public Companies, it is not required that the Acquiring Company prepares information on the accounting status of the Acquiring Company for the purposes of the merger, and therefore it is not required and it will not be attached to this Plan of Merger to prepare a statement containing the said information on the accounting status of the Acquiring Company.

Due to the fact that Apator S.A. is a public company and based on art. 516 § 1 sentence 2 of the Polish Commercial Companies Code, the simplification to resign from the adoption of the resolution referred to in art. 506 of the Polish CCC cannot be used to carry out the merger included in this plan of merger. (resolutions of merging

Companies on merger), therefore it will be required to adopt resolutions on merger by General Shareholders Meeting of Apator S.A. and General Shareholders Meeting of Apator Elkomtech S.A. Draft resolutions are the attachments to this plan of merger.

2. Exchange ratio of shares of the Acquired Company or shares of the Acquiring Company

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

3. Rules for the allotment of shares in the Acquiring Company

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

4. Date from which the shares entitle to participate in the profit of the Acquiring Company

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

5. Rights granted by the Acquiring Company to the shareholders and persons with special rights in the Acquired Company

It is not envisaged that the Acquiring Company will grant any rights to shareholders or persons with special rights in the Acquired Company.

6. Special benefits for members of the governing bodies of the merging Companies as well as other persons participating in the merger, if any

No special benefits in the Merging Company will be granted to members of the governing bodies of the Merging Companies or other persons participating in the Merger.

7. Other provisions

Given that there is no increase in the share capital of the Acquiring Company and that the Merger does not give rise to any new circumstances requiring disclosure in the Articles of Association of the Acquiring Company and no other amendments to those Articles are proposed, no amendment to the Articles of Association of the Acquiring Company is contemplated in connection with the Merger.

The Merger Plan will not be announced in the Court and Economic Monitor due to its publication in accordance with art. 500 § 2¹ in connection with art. 516 § 6 of the CCC on the Companies' websites. The Plan of Merger shall be made available to the public free of charge on the websites of the companies until the end of the General Meeting of the Acquiring Company and the General Meeting of the Acquired Company, at which the resolution on the Merger is to be adopted.

Employees of the Acquired Company in connection with the transfer of the workplace of the Acquired Company to the Acquiring Company, in accordance with Article 23¹ of the Act of 26 June 1974 of the Labour Code (i.e. Journal of Laws of 2020, item 1320, as amended), will become employees of the Acquiring Company, which will become a party to the existing employment relations by operation of law.

Due to the fact that the Acquiring Company and the Acquired Company belong to the same capital group - Apator Group, the merger of the Companies does not require under art. 14 point 5 of the Act on Competition and Consumer Protection of 16th February 2007. (Journal of Laws of 2021, item 275 as amended) to notify the intention of concentration to the President of Office of Competition and Consumer Protection.

It is the mutual intention of the Acquiring Company and the Acquired Company to hold a General Meeting of the Acquiring Company and a General Meeting of the Acquired Company within the same period of time (within one month) with an agenda including, inter alia, the adoption of a resolution on the merger.

8. Appendixes to the Merger Plan

The following appendixes are attached to the Plan of Merger:

- 1) **Appendix no 1** - Draft resolution of General Shareholders Meeting of Apator Elkomtech S.A. seated in Łódź (the Acquired Company) on the merger with Apator S.A,
- 2) **Appendix no 2** - Draft resolution of General Shareholders Meeting of Apator S.A. seated in Toruń (Acquiring Company) on merger with subsidiary Apator Elkomtech S.A. seated in Łódź,
- 3) **Appendix no 3** - Determination of the value of property of Apator Elkomtech S.A. (the Acquired Company) on 1 August 2021,
- 4) **Annex no. 4** - Statement containing information on accounting condition of Apator Elkomtech S.A. (the Acquired Company) prepared for the purposes of the Merger as at 1 August 2021, prepared using the same methods and in the same layout as the last annual balance sheet.

Signed on 2 August 2021:

On behalf of Apator S.A:

Mirosław Klepacki – President of the Executive Board

Tomasz Łątka - Member of the Executive Board

Arkadiusz Chmielewski - President of the Executive Board

On behalf of Apator Elkomtech S.A:

Tomasz Łątka- President of the Executive Board