

DIRECTORS REPORT OF MSD INNOVA GADGETS LIMITED
JUSTIFYING A CROSS-BORDER CONVERSION FOR EMPLOYEES

This report has been prepared by the sole director of MSD Innova Gadgets Limited, a limited liability company incorporated in Malta bearing company registration number C 62247 and having its registered office at Suite 10, 189 Marina Suites, Marina Street, Pieta, PTA 9041, Malta (the “**Company**”), in accordance with Regulation 7 of Subsidiary Legislation 386.27 on Cross Border Conversions of Limited Liability Company (the “**Regulations**”) in order to justify the cross-border conversion of the Company from Malta to Poland and, in particular, to determine the legal basis and economic justification for the conversion, the effects of the conversion on the employees and the future operations of the Company.

Legal Basis for the conversion

The director of the Company has drawn up the terms of cross-border conversion within the meaning of Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law, as amended – in accordance with the Maltese Companies Act, Chapter 386 of the laws of Malta, Regulation 6 of the Maltese Cross-Border Conversions of Limited Liability Companies Regulations, Subsidiary Legislation 386.27 to the Act (the “**Regulations**”).

Economic justification for the conversion, including the effects on the future operations of the Company

The Company belongs to a group of companies (the “**Group**”). The main reasons for the conversion are: (i) simplifying the Group’s organizational structure and thereby reducing its operating and management costs (administrative and intra-group costs); (ii) transferring the operations of the Company to Poland; (iii) streamlining the Group’s holding structure; and (iv) enabling improved management. The economic and business justification for the conversion is to achieve the objectives described above, the achievement of which should contribute to the Group’s continued stable development.

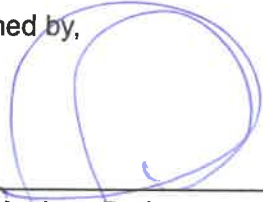
Effects of the conversion on employees

The cross-border conversion will not have any effect on employment as the Company does not have any employees and shall not employ any persons prior to the completion of the cross-border conversion.

The cross-border conversion will also not affect the employment of individuals engaged by the Company’s subsidiaries. Following the conversion, the Company shall ensure that all necessary actions and formalities in each relevant jurisdiction, if applicable, in which its subsidiaries operate are duly satisfied.

Since the Company does not have any employees, no employee participation system is in place. Accordingly, Regulation 6(1)(l) of the Regulation relating to employee participation within the Company, does not apply to the cross-border conversion.

Signed by,

A handwritten signature in blue ink, consisting of several overlapping loops and a final horizontal stroke.

Mr Matthew Paris

Director

MSD Innova Gadgets Limited

Date: 31/03/2026