



PRESS RELEASE
Regulated Information
Inside Information
April 6, 2026
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**PAYTON PLANAR MAGNETICS Ltd. AND PAYTON INDUSTRIES Ltd.
ANNOUNCE ADVANCED NEGOTIATIONS OF MERGER AGREEMENT**

If approved, the transaction would result in the delisting of PAYTON PLANAR MAGNETICS Ltd. from Euronext Brussels. PAYTON INDUSTRIES Ltd. would remain listed on the Tel Aviv Stock Exchange

Remaining free float shareholders of PAYTON PLANAR MAGNETICS Ltd. would receive a cash consideration of EUR 7.38 per share

The transaction remains subject to the negotiation of a binding cash merger agreement and shareholder meeting approval. Closing of the transaction is not expected prior to the second half of 2026

Ness Ziona (Israel) –

Payton Planar Magnetics Ltd. (the “**Company**”) and its Parent Company, Payton Industries Ltd., a public company traded on the Tel Aviv Stock Exchange (“**Parent**”) announce that they are in advanced stages of negotiating an agreement with respect to a triangular cash merger transaction (the “**Cash Merger**”). Pursuant to the contemplated Cash Merger Agreement, Parent will form a new Israeli company that will merge with and into the Company in accordance with Israeli company law, with the Company surviving the Merger as a wholly owned subsidiary of Parent. Under the Cash Merger Agreement, shareholders of the Company, other than Parent, will receive, in exchange for their shares of the Company, cash in the amount of EUR 7.38 per each share of the Company, which amount includes any dividends that may be declared or distributed by the Company from the date hereof and until the closing of the Cash Merger.

Given the fact that the transaction contemplated is with the Company’s controlling shareholder, the Company’s Board of Directors formed a special independent committee consisting only of independent directors (the “**Independent Committee**”) to conduct the negotiations on behalf of the Company.

The negotiations of the contemplated Cash Merger are still ongoing and there is no assurance that a binding agreement will be reached. If and when a binding agreement is reached, the consummation of the Cash Merger would be subject to

certain conditions, including the approval by the Company's shareholders' meeting (subject to a 50% + 1 majority of the Company's shareholders, other than the Parent, voting at the meeting) and obtaining all necessary regulatory approvals.

As of the date of this announcement, the draft Cash Merger Agreement is still being negotiated between Parent and the Independent Committee.

If the Cash Merger Agreement is approved, the Company will inform the market thereof.

Shareholders will receive further information with respect to the transaction prior to the shareholders' meeting.

For more information, please visit Payton's website at www.paytongroup.com
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About us

Payton Planar Magnetics Ltd., an Israeli-based high-tech company, designs, manufactures and markets Planetics®, its customized line of planar transformers, conventional transformers and inductors to Original Equipment Manufacturers and their suppliers of power electronics. The group currently employs 205 people (including executive officers). Planar Magnetic Components are used in end products in various industries, including Telecommunications, cellular infrastructure, welding machines, High-reliability/Avionics, portable equipment and consumer goods. Planar Magnetics is a revolutionary design technology that is superior to conventional transformers and inductors, and has already been accepted by electronics design engineers as the state-of-the-art in high frequency power electronics design. Payton Planar Magnetics is a subsidiary of Payton Industries, headquartered in Israel, and has manufacturing and marketing operations in Israel, United States and in the U.K. Payton Planar Magnetics is publicly traded on the Euronext stock exchange in Brussels (ticker: PAY).