

SUPERVISORY BOARD
OF IZOSTAL S.A.

On the basis of §12 Par. 2 Subpar. j) of the Articles of Association, the Management Board of IZOSTAL S.A. requests to consider and issue an opinion on the request enclosed to the hereby document with a proposal regarding profit distribution for 2017 and acknowledgement of fulfilment of duties in 2017 by the Members of the Management Board.

Management Board of IZOSTAL S.A.

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Marek Mazurek

President of the Management Board

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Michał Pietrek

Vice-President of the Management Board

**RESOLUTION NO. 57/IX/2018
of the MANAGEMENT BOARD of IZOSTAL S.A.
of 19.03.2018**

regarding: **addressing a request to the General Meeting of Shareholders with a proposal on profit distribution for 2017**

The Management Board of IZOSTAL S.A. hereby decides to request the General Meeting of Shareholders and the Supervisory Board for allocation of the net profit for 2017 in the amount of PLN 9,135,006.25 (in words: nine million one hundred thirty five thousand six Polish zlotys 25/100), to:

- the Company's reserve capital in the amount of: PLN 6,188,046.25 (in words: six million one hundred eighty eight thousand forty six Polish zlotys 25/100);
- payment of dividend for the Company's shareholders in the amount of: PLN 2,946,960.00 (in words: two million nine hundred forty six thousand nine hundred sixty Polish zlotys 00/100), which gives PLN 0.09 (in words: nine grosz) of dividend per each share.

The proposal includes covering by the dividend of all the shares issued by the Company in the amount of 32,744,000 pieces.

The Management Board raises decides to suggest that the date for determining the right to receive a dividend should fall as at July 23, 2018, whereas the date for payment of the dividend should fall as at August 9, 2018.

JUSTIFICATION OF THE REQUEST:

The Company's financial situation is very good. The Company has equity at its disposal that in the end of 2017 amounted to PLN 177,350 thousand, which together with the available credit facilities ensures financial safety of the conducted business activity.

The Company completed performance of the most significant investments in fixed assets.

The net profit earned in 2017 in the amount of PLN 9,136 thousand, foreseeable branch perspectives, as well as the interest of the shareholders give basis to the Management Board for considering payment of the divided in accordance with the above-mentioned proposal as justified.

The resolution was adopted unanimously in the open voting.

Signatures of the Management Board

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Marek Mazurek
President of the Management Board

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Michał Pietrek
Vice-President of the Management Board

RESOLUTION NO. 58/IX/2018
of the MANAGEMENT BOARD of IZOSTAL S.A.
of 20.03.2018

regarding: **approval of the Report of Independent Expert Auditor from annual audit of the financial statement for shareholders and the Supervisory Board of Izostal S.A. in Kolonowskie**

1. The Management of Izostal S.A. has read and accepted the Report of Independent Expert Auditor from the annual audit of financial statement for shareholders and the Supervisory Board of Izostal S.A. in Kolonowskie.

In accordance with the Opinion of Key Expert Auditor of Kancelaria Porad Finansowo-Księgowych dr Piotr Rojek Sp. z o.o. (Financial and Accounting Advisory Office) in Katowice, presented in the Report of Independent Expert Auditor, it presents a reliable and clear image of the financial and material standing of the unit as for December 31, 2017, and of its financial result for the financial year from January 1, 2017 to December 31, 2017, in line with the International Accounting Standards, International Financial Reporting Standards and their related interpretations announced in the form of European Commission implementing regulations and the adopted accounting policy. The financial statement was drawn up based on correctly managed ledgers, according to the provisions of chapter 2 of the Accounting Act, and its form and content is conformant with legal regulations and the unit's articles of association.

Moreover, according to the Report on other regulatory requirements included in the Report of Independent Expert Auditor from the annual audit of the Financial Statement for Shareholders and the Supervisory Board of Izostal S.A. in Kolonowskie, the report on operations was drawn up in accordance with applicable regulations, is consistent with the information contained in the annual financial statement, and - in view of the possessed knowledge on the unit and its surroundings, acquired through auditing the financial statement - no significant distortions were found in the report on operations.

As concerns the Company's corporate governance statement, the Company included information set out in para 91 section 5 point 4 letter a, b, g, j, k and l of the Regulation of Minister of Finances of February 19, 2009 on the current and periodical information provided by issuers of securities and the conditions for deeming as equivalent the information required by the provisions of law of states other than member states. The information set forth in para 91 section 5 point 4 letter c-f, h and i of the Regulation indicated in the declaration on the application of corporate governance are compliant with applicable law and with the information contained in the annual financial statement.

2. In view of the positive Opinion included in the Report of Independent Expert Auditor from the auditing of annual financial statement for shareholders and the Supervisory Board of Izostal S.A. in Kolonowskie, the Management of Izostal S.A. has decided to put forth a motion to the Ordinary General Meeting for giving discharge to the Board Members for year 2017.

The resolution was adopted unanimously in the open voting.

Signatures of the Management Board

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Marek Mazurek
President of the Management Board

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Michał Pietrek
Vice-President of the Management Board