

**EVALUATION BY THE SUPERVISORY BOARD OF IZOSTAL S.A., INCLUDING JUSTIFICATION,  
CONCERNING THE ACTIVITY REPORT OF IZOSTAL S.A. CAPITAL GROUP AND THE CONSOLIDATED  
FINANCIAL STATEMENTS WITH RESPECT TO THEIR CONSISTENCY WITH THE LEDGERS,  
DOCUMENTS AND FACTUAL CIRCUMSTANCES**

The Supervisory Board of Izostal S.A. has read and analysed the consolidated financial statements of Izostal S.A. for the year ended 31 December 2018 in accordance with the International Financial Reporting Standards approved by the European Union, including the following:

- introduction to the consolidated financial statements,
- the consolidated statement of financial position as at 31 December 2018, showing total assets and liabilities of PLN 564,281 thousand (say: five hundred and sixty-four million, two hundred and eighty-one thousand zlotys),
- consolidated statement of comprehensive income for the financial year from 1 January to 31 December 2018 showing a total comprehensive income of PLN 15,871 thousand (say: fifteen million eight hundred and seventy-one thousand zlotys),
- consolidated statement of changes in equity for the financial year from 1 January to 31 December 2018, showing an increase in equity of PLN 12,924 thousand (say: twelve million nine hundred and twenty-four thousand zlotys),
- consolidated statement of cash flows for the financial year from 1 January to 31 December 2018, showing a decrease in cash amounting to PLN 26,053 thousand (say: twenty-six million fifty-three thousand zlotys),
- additional information to the consolidated financial statements.

The Supervisory Board, having reviewed the consolidated financial statements of Izostal S.A. for the year ended 31 December 2018 in accordance with the International Financial Reporting Standards approved by the European Union, and having read the auditor's report on the audit of the above consolidated financial statements, positively assesses the said consolidated financial statements with respect to their compliance with the ledgers and documents, as well as with the factual circumstances. At the same time, the Supervisory Board states that the aforementioned consolidated financial statements have been prepared within the prescribed deadline and in accordance with the International Financial Reporting Standards approved by the European Union. The accuracy of the preparation of the said consolidated financial statements as to their consistency with the accounting ledgers, documents and factual circumstances does not raise any reservations and is confirmed by the information contained in the auditor's report on the audit of the Company's financial statements for the financial year 2018.

The Supervisory Board, having considered the Izostal S.A. Capital Group's Activity Report for the financial year 2018, positively assesses the said report with respect to its compliance with the ledgers and documents, as well as with the factual circumstances.

The report presents fairly and clearly the property, economic, financial and development situation of Izostal S.A. Capital Group, and its completeness and compliance with the information disclosed therein has been confirmed by a statutory auditor.

At the same time, the Supervisory Board states that the above mentioned report has been prepared in accordance with the applicable provisions of the Accounting Act of 29 September 1994 and the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and conditions for recognizing as equivalent information required by the laws of a non-member state.

Kolonowskie, 28.03.2019

**Signatures of the Supervisory Board Members:**

|                    |  |       |
|--------------------|--|-------|
| Jerzy Bernhard     | - Chairman of the Supervisory Board        | ..... |
| Andrzej Baranek    | - Deputy Chairman of the Supervisory Board | ..... |
| Grażyna Kowalewska | - Secretary of the Supervisory Board       | ..... |
| Jan Kruczak        | - Member of the Supervisory Board          | ..... |
| Lech Majchrzak     | - Member of the Supervisory Board          | ..... |
| Adam Matkowski     | - Member of the Supervisory Board          | ..... |