

Kolonowskie, 23.03.2020 r.

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 2019 and acknowledgement of fulfilment of duties in 2019 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. 30/X/2020
of the MANAGEMENT BOARD of IZOSTAL S.A.
of 17.03.2020

regarding: **addressing a request to the General Meeting of Shareholders with a proposal on profit distribution for 2019**

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 2019 in the amount of PLN 11,900,211.07 (in words: eleven million nine hundred thousand two hundred and eleven zlotys 07/100), to:

- the Company's reserve capital in the amount of: PLN 8,298,371.07 (in words: eight million two hundred ninety-eight thousand three hundred seventy-one zlotys 07/100);
- payment of dividend for the Company's shareholders in the amount of: PLN 3,601,840.00 (in words: three million six hundred and one thousand eight hundred and forty zlotys 00/100), which gives PLN 0.11 (in words: eleven 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 24, 2020, whereas the date for payment of the dividend should fall as at August 12, 2020.

JUSTIFICATION OF THE REQUEST:

The Company's financial situation is very good. The Company has equity at its disposal that in the end of 2019 amounted to PLN 196,465 thousand, which together with the available credit facilities ensures financial safety of the conducted business activity.

The net profit earned in 2019 in the amount of PLN 11,900 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. 31/X/2020
of the MANAGEMENT BOARD of IZOSTAL S.A.
of 23.03.2020

regarding: **approval of the Report of Independent Expert Auditor from annual financial statements of Izostal S.A. for 2019 and the annual consolidated financial statements of Izostal S.A. Capital Group for 2019**

1. The Management Board of Izostal S.A. accepted and familiarized itself with the Independent Expert Auditor's Report on the audit of the annual financial statements of Izostal S.A. for 2019 and the annual consolidated financial statements of Izostal S.A. Group for 2019 for the General Meeting, Supervisory Board and Management Board of Izostal S.A. and Izostal S.A. Group.
 - 1.1. In accordance with the opinion expressed on the audit of the annual financial statements presented in the Report of the Independent Expert Auditor, the financial statements:
 - present a true and fair view of the financial position of the Company as at 31 December 2019 and its financial result and cash flows for the financial year ended on that day, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the adopted accounting principles (policy);
 - are consistent as to form and content with the applicable laws and the Company's Articles of Association;
 - have been prepared on the basis of properly maintained accounting books in accordance with the provisions of Chapter 2 of the Accounting Act of 29 September 1994.
 - 1.2. According to the opinion expressed in the Independent Expert Auditor's Report, the annual consolidated financial statements of Izostal S.A. Group presented in the Independent Expert Auditor's Report:
 - present a true and fair view of the consolidated financial position of the Company as at 31 December 2010 and its consolidated financial result and consolidated cash flows for the financial year ended on that day, in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the adopted accounting principles (policy);
 - are consistent as to form and content with the laws applicable to the Company and the parent company's Articles of Association;
 - 1.3. In accordance with the opinion expressed on the Report on the Company's operations, the report:
 - was drawn up in accordance with Article 49 of the Accounting Act and § 70 of 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.
 - is consistent with the information contained in the financial statements.
 - 1.4. In accordance with the opinion on the Report on operations of Izostal S.A. Group, the report:
 - was drawn up in accordance with Article 49 of the Accounting Act and § 70 and 71 of 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.
 - is consistent with the information contained in the consolidated financial statements.

2. In view of the positive opinion contained in the Independent Expert Auditor's Report on the audit of the annual financial statements of Izostal S.A. for 2019 for the General Meeting, Supervisory Board and Management Board of Izostal S.A. and in the Independent Expert Auditor's Report on the audit of the annual consolidated financial statements of Izostal S.A. Group for 2019 for the General Meeting, Supervisory Board and Management Board of Izostal S.A. Group, the Management Board of the Company decides to request the Ordinary General Meeting to grant discharge to the Members of the Management Board in 2019 for performing their duties.

The resolution was adopted unanimously in an open vote.

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