

DRAFT

DECISION ON PROFIT DISTRIBUTION OF METALAC AD

Pursuant to Art.329 Para 1 Point 7 of the Law on Companies and Art. 51 Para 1 Point 7 of the Statutes of Metalac a.d. of Gornji Milanovac, the Assembly of Metalac a.d. at its annual meeting held on 26th June 2020, passed the following

DECISION on Distribution on Profit Reported per December 31st, 2019

Profit generated by the operations of Metalac a.d. in 2019 in the amount of 276,709,144.73 dinars is distributed:

1. For dividends to shareholders (on a total of 1,934,870 shares, i.e. without dividends on 105,130 treasury shares) in the gross amount of 164,463,950.00 dinars.

The distribution of profit for dividends to shareholders will be done in the gross amount of 85.00 dinars per share.

Dividend is paid to shareholders from the Unified Register of Shareholders of Metalac a.d. at the Central securities depository and clearing house on 26th June, 2020.

The dynamics and day of dividend payment will be determined by a decision of the Executive Board.

2. In the title of participation in profit (for workers' and managers' premiums), the gross amount of 20,000,000.00 dinars to Metalac employees.

The President of Metalac Group decides on the amount and day of premium payment, in accordance with the provisions of the Statutes and the company's liquidity.

3. The remaining amount of the profit of 92,245,194.73 dinars is distributed as retained profit carried forward.

Explanation

Based on the results achieved by the business operations in 2019, the Assembly of Shareholders was proposed to pay a dividend to shareholders in the gross amount of 85.00 dinars per share, in accordance with the dividend policy provided by the Business Policy for 2019.

The dividend will be paid to shareholders from the Unified Register of Shareholders of Metalac a.d. at the Central securities depository and clearing house on 26th June, 2020. The starting payment day and the dynamics of dividend payment will be determined by a decision of the Executive Board, considering the decisions and measures of the competent state bodies that were adopted on the occasion of the declared state of emergency on 15th March, 2020 due to COVID 19 pandemic, and on force on the day of payment, as well as taking care that the payment of dividends does not compromise the company's liquidity.

Workers' and managers' premiums shall be payable to employees based on the decision of the President of the Metalac Group, in accordance with the provisions of the Statutes, provided that the payment does not compromise the company's liquidity.

ASSEMBLY PRESIDENT
Goran Todorović