

AS "MADARA Cosmetics"

Registration number: 40003844254

Legal address: Zeltiņu iela 131, Mārupe county, Mārupe, LV-2167, Latvia

Resolution of Management Board

Riga, 24 May 2023

Proposal on profit distribution of the Company

AS "MADARA Cosmetics", registration number: 40003844254, legal address: Zeltiņu iela 131, Mārupe county, Mārupe, LV-2167, Latvia (hereinafter – "**Company**") management board has prepared a proposal on the distribution of profit of the Company for consideration at the Company's Annual General Meeting of shareholders on 28 June 2023.

The Company and its subsidiaries (hereinafter – "**Group**") finished the year 2022 with a profit of EUR 1 120 826, whereas the profit of the Company amounted to EUR 1 229 549.

As of 31 December 2022, the Group's cash balance was EUR 5 950 884, whereas for the Company it comprised EUR 5 092 293 EUR. Therefore, the Company is financially secured for further investment activities.

Taking into account the Company's financial results for the year 2022 and the amount of available liquidity, the management board's proposal is to allocate for the payment of dividends EUR 1 229 549 from the Company's profit for the year 2022 and the remaining part in the amount of EUR 91 669.85 from the Company's undistributed profit of previous years. Thus, the management board's proposal is to pay out in dividends EUR 1 321 219.85 or 0.35 EUR per share.

*Chairwoman of management board **Lote Tisenkopfa – Iltnerē***

*Management Board member **Uldis Iltners***

*Management Board member **Tatjana Nagle***