Board of Directors

Proposal to approve the extension of a credit agreement and the conclusion of all any other documents related to the transactions

Extraordinary General Shareholders Meeting from December 12/13, 2022

General presentation

It is Alum S.A.'s intention to extend a credit agreement with Garanti Bank in amount of 3 millions USD comprising of a revolving non-cash facility for issuing trade finance instruments and a revolving working capital cash credit limit.

According to the By Laws of the Company, the approval of security contracts falls under the competence of the General Shareholder's Meeting.

General Mandate (I)

The Board of Directors of Alum SA recommends to the shareholders of the company the approval of the extension of the credit agreement, within the following conditions (which also establish general limits of the mandate for the persons authorised to negotiate and to sign the credit agreement and the security contracts):

Description of the project:

- Amount: 3 millions USD – revolving non-cash facility/revolving working capital cash credit limit;
- Security: The credit agreement will be guaranteed by maintaining the subsequent rank mortgage on the existing pool of securities granted currently to the financing banks, as follows:

i) Immovable mortgage on the key immovable assets of the Company;

ii) Movable mortgages on the following movable assets held by the Company:

a) all current and future movable assets of the Company, with an individual value higher than USD 10,000;

b) the Company's current and future stocks of raw materials and products;

c) all current and future receivable rights of the Company, except for the receivables which are subject to factoring agreements;

d) all receivables rights derived from any contracts concluded with Alro S.A. Slatina;

e) all current and future bank accounts opened by the Company, as well as all the amounts of money in their credit or by which such bank accounts are credited at a certain moment, that shall be agreed with the creditors;

f) receivables from the insurance policies covering the Company's assets and concluded in relation with the goods that are object of the guarantees created.

General Mandate (II)

- Interest: within current market limits
- Comissions: within current market limits
- Availability: 15 March 2024
- Maturity: 15 March 2024 for the working capital facility and 17 February 2025 for the revolving non-cash facility, with the possibility to extend up to 15 March 2026 subject to approval under the other existing credit facilities (if necessary)
- Repayment: maximum 24 months from each Bank commitment issuing date (non-cash facility), at the loan maturity date for the working capital facility

Additional conditions (customary conditions for this type of facility), such as:

- maintain its corporate existence in accordance with all applicable laws;
- conduct its business with due diligence;
- maintain validity of the insurance of the patrimony of the company;
- pay all the taxes in due time;
- maintain accounting and cost control;
- create, maintain and reissue securities;
- usual covenants, events of default and other clauses for this type of facility.

Proposal for decision

The Board of Directors of Alum SA is proposing to the shareholders to approve the extension of the credit agreement and of the attached security contracts, to authorize the Company's Board of Directors to negotiate and approve the final forms and to conclude all and any other documents related to the transactions above, as well as to empower the General Manager and the Financial Manager to sign together such documents in the name and on behalf of the Company.