ALUM SA

ANNUAL REPORT

2025

Contents

Directors report - audited

ALUM – Overview

Financial and operational highlights for the year 2025 1

General information 1

Overview 1

Financial review 2

Operational analysis 3

Other information in accordance with the FSA Regulation no. 5/2018 4

Analysis of the trends or events that might have an impact over the Company's current activity 4

Changes with impact on share capital and of the Company's management 4

Other information 4

Related party transactions 4

Corporate governance 5

Corporate social responsibility 5

Human resources development 5

Subsequent events 6

Code compliance statement 6

Shareholders 8

Responsibilities of the Board of Directors 10

Risk management and internal control system 13

Sustainable development and Corporate Social Responsibility (CSR) 15

Sustainable development 15

Environmental responsibility 16

Separate financial statements for the year ended 31 December 2025 - audited 17

Statement of Persons in Charge 45

Financial and operational highlights for the year 2025

Indicator	2024	2025
Turnover (RON '000)	81,709	29,485
Operating result (RON '000)	6,151	-77,178
Gross result (RON '000)	4,764	-78,599
Net result (RON '000)	3,641	-78,599

General information

Company	ALUM S.A.
Company's address	82, Isaccei Street, Tulcea, Tulcea County
Telephone number	+40 240 535 740
Fax number	+40 240 535 495
Registration number in the Trade Register	J1991000029364
Fiscal code	RO2360405
Class, type, number and main features of the financial instruments issued by the company	82.086.203 registered dematerialized and ordinary shares
Subscribed share capital, fully paid up	RON 488,412,907.85
The European Unique Identifier (EUID)	ROONRC.J1991000029364
Legal Entity Identifier (LEI) Code	254900TPAV17KVG33J81
Organised market on which shares and stocks are traded	Bucharest Stock Exchange – ATS Segment, AeRO category (BSE symbol: BBGA)

Overview

ALUM S.A. (the 'Company', the 'Entity') is a joint-stock company set up under the Romanian law. The Company was initially established in March 1972, ALUM S.A. Tulcea being the largest producer of calcined alumina in Romania. The Company's administrative and managerial offices are located in Romania. ALUM does not have fiscally registered branch offices.

ALUM is listed on Bucharest Stock Exchange, on the ATS segment, AeRO category, BBGA symbol, since May 2015 and is governed in a unitary system. The Board members are elected based on the vote of shareholders under OGSM and by full compliance with the legal requirements in force.

The major shareholder of ALUM S.A. is ALRO S.A. Slatina. At 31 December 2024, the majority shareholder of ALRO S.A. was Vimetco PLC, a private limited liability company registered under the laws of Cyprus, based in Navarinou 18, Navarinou Business Centre, Agios Andreas, 1100, Nicosia, Cyprus. The company is ultimately controlled by Maxon Limited (Bermuda).

Shareholding structure and share capital

SHAREHOLDERS	Number of shares	Owned percentage (%)
ALRO SA SLATINA	81.595.860	99,4026%
Other shareholders – natural persons	469.158	0,5716%
Other shareholders – legal persons	21.185	0,0258%
TOTAL	**82.086.203**	**100%**

The statutory share capital as of December 31, 2025 and 2024 is in amount of RON 488,412,908 representing 82,086,203 shares having a nominal value of RON 5.95 per share.

Financial review

In 2025 ALUM had a turnover in amount of RON 29,485 thousand in 2025, compared to RON 81,709 thousand in 2024, structured as follows:

✓ Revenues from sales of alumina	1,454	th RON
✓ Revenues from sales of hydrate	2,736	th RON
✓ Revenues from agent contract	21,060	th RON
✓ Revenues from sales of scrap iron and wastes	657	th RON
✓ Revenues from sales of utilities	1,046	th RON
✓ Other revenues	2,532	th RON

Starting from March 2024, the Company ALUM provides intermediary services (agent agreement) in procuring calcined alumina from the international market, in the appropriate quantity and quality, for the Company ALRO.

In 2025, the Company incurred a net loss in amount RON 78,599 thousand of which a significant part relates to the impairment for plant, plant property and equipment amounting RON 57,391 RON and with the stocks depreciation in amount of RON 11,004 thousand compared to the profit of RON 3,641 thousand, in 2024 generated mainly by revenues obtained from the sale of CO2 emission certificates in the amount of RON 28,832 thousand.

The operating revenues in 2025 were in amount of RON 28,414 RON thousand, lower by 72% than the ones obtained in 2024 due, mainly, to the change of the Company's business model (starting with March 2024 the calcined alumina distribution activity the was replaced by the provision of agent services).

The operating expenses recorded in 2025 were in amount of RON 105,592 thousand (2024: RON 94,750 thousand) being influenced by the depreciation of the tangible and current assets in a total amount of RON 68,395 thousand. The other categories of operating expenses were lower than in 2024 amid ongoing cost reduction efforts.

The Company's **total assets** were RON 104,152 thousand as of 31 December 2025, lower than RON 182,368 thousand as of 31 December 2024.

The Company's **non-current assets** were RON 10,177 thousand as of 31 December 2025 versus RON 72,520 thousand as of 31 December 2024, the decrease is mainly due to the depreciation of the fixed assets and the provision resulted from the impairment test.

The current assets of the Company were RON 93,975 thousand at 31 December 2025 (31 December 2024: RON 109,848 thousand). This decrease was mainly generated by the decrease in the inventory of finished goods and merchandises (calcined alumina, hydrate) and the recording of the depreciation adjustment for stocks.

The Company's **total liabilities** remained almost at the same level, namely RON76.943 thousand at 31 December 2025 compared to RON 76.559 thousand at 31 December 2024.

In 2025, the **net cash flow used in operating activities** was RON 1,054 thousand (compared to cash used in 2024 of RON 14,726 thousand).

The **net cash generated from the investing activities** was in amount of RON 909 thousand in 2024 (in 2024 cash used RON 693 thousand) and was obtained from the sale of assets.

The **net cash flows used in financing activities** in 2024 were of RON 3,076 thousand (in 2025: nil). The Company's loans were fully reimbursed in 2024.

As of 31 December 2025, the cash and cash equivalents were in amount of RON 384 thousand (31 December 2024: RON 779 thousand).

At the end of the year 2025, the statutory net assets are below half of its share capital. In order to comply with the legislative provisions in force, the Extraordinary General Meeting of Shareholders of 15 December 2025 approved the reduction of the share capital.

Operational analysis

ALUM has a production capacity of 600,000 tons of alumina per year, being the sole alumina producer in Romania and one of the largest in Central and Eastern Europe.

Since 2022, ALUM and the group to which it belongs developed and implemented scenarios for operating at a minimum break-even point or reducing financial losses by suspending certain production activities and switching some production equipment to stand-by. Thus, ALRO has reduced the primary aluminum production by 60% by shutting down three electrolysis pot rooms and ALUM has revised its manufacturing schedule according to the level of calcined alumina required for ALRO, subsequently suspending alumina production operations starting on 1st August 2022.

During 2025, as market conditions continued being challenging, the production remained suspended and ALUM:
- kept its CAPEX at a minimum level, but continued to perform maintenance works to ensure the equipment and installations are ready for restarting;
- continued optimizing acquisitions of materials and inventory levels.

From August 2022, the activity of ALUM consisted of purchasing alumina from the market and selling it to ALRO to meet its production requirements. Since March 2024, Alum has changed its business model of procurement of alumina to ALRO from sale for a margin to sale for a commission. The Company ALUM acts as an agent in procuring calcined alumina from the local and international market, in the appropriate quantity and quality, at a competitive price, for the Company ALRO.

During the reporting period, ALUM's management was focused on identifying new sources of development and diversification of the activity that will increase the company's revenues to overcome this challenging period.

Consequently, in February 2025, the Company Alum, contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Company Alum, with its registered office in Tulcea. The company was founded with the purpose of developing a battery energy storage facility.

Notwithstanding the challenges and uncertainties, the management expects that, based on the most recent forecasts, support from its shareholder and ability to adapt its cash-flows, when necessary, the Company will succeed in generating adequate cash flows to allow it to continue its operations, and has concluded that there are no material uncertainties that may cast significant doubt on their ability to continue as a going concern.

Also, in 2025, Alum continued the research activity in the installations within the project financed from European funds and within the European project, Reactiv.

In 2025 the Company recognized research and development costs of RON 1,798 thousand (in 2024: RON 5,019 thousand) after the placing into operation in the beginning of 2019 of the equipments under the EU funded project for the project for the research of aluminum hydroxide technology (dry and wet).

The **ReActiv project - finalized**: „Industrial Residue Activation for sustainable cement production"
ReActiv project, 01.10.2020 – 30.04.2025, where ALUM is one of the industrial partners together with 6 other international companies in the alumina industry and 14 academic partners, is coordinated by Lafarge Center De Recherche by SAS.
ReActiv project aims to create a novel sustainable symbiotic value chain, linking the by-product of the alumina production industry and the cement production industry. Bauxite residue (BR) is the main by-product of the alumina sector, obtaining approximately 7 million tonnes per year in the EU, while recycling capacities are below 200 thousand tonnes per year. The ReActiv project aims to modify the properties of bauxite residue turning it into an active material used to obtain new cements with a low CO2 footprint.

Between 2020 - 2024 the company collected non-refundable funds in the amount of EUR 145,622 (out of the approved total of EUR 171,320). In May 2025, the last progress report was submitted, and in June, in Athens, the final meeting of the Reactiv project members took place.

Considering the events of the last period (the evolution of the natural gas and electricity market, the Russian-Ukrainian military conflict), in 2025, no new resources were allocated for new investment projects, only the strictly necessary works that were contracted in the year 2023 going to be finalized.

In 2025, investment works worth USD 31 thousand were performed.

Other information in accordance with FSA Regulation no. 5/2018

Analysis of the trends or events that might have an impact over the Company's current activity

As of 31 December 2025, The Company was party to various litigations or legal proceedings arising in the ordinary course of the business, in which it is either defendant or plaintiff. The Company is not involved in any litigation or court proceedings and is unaware of any actions of a judicial, arbitral, or administrative nature that could reasonably be expected to materially and adversely affect the Company's business, financial condition or results of operations.

Changes with impact on share capital and on the Company's management

During the reporting year, the following changes took place within the Board of Directors or in the management structure of the Company:

In February 2025, following the resignations from the Board of Directors of Mr. Gheorghe Dobra and Mr. Marin Cilianu, Mrs. Genoveva Năstase was appointed as interim director and chairman of the Board of Directors and Mr. Răzvan-Sebastian Pop as interim member. Also, in February 2025, Mr. Gigi Pîrlog was appointed as General Manager of the Company for a four-year mandate valid from the appointment date, following the expiration of the mandate of the former general manager.

At the date of this report the executive management of ALUM is provided by Mr. Gigi Pîrlog – CEO and Mrs. Mihaela Duralia – CFO. The Board of Directors of ALUM is composed by 5 members: Mrs. Genoveva Năstase (Chairman), Mr. Igor Higer (member and Vice-Chairman), Mr. Răzvan-Sebastian Pop (member), Mrs. Mihaela Duralia (member) și Mr. Ioan Popa (independent member).

In 2025 there were no amendments regarding the share owner rights.

Other information

During the reporting period, The Company did not face the situation of not being able to meet their financial obligations.

In 2025, the Board of Alum held 5 meetings that were attended by all Board members except for Mr. Igor Higer who participated in 4 meetings.

Internal audit

In 2024, the Company concluded a contract with an external company as internal auditor of Alum for a 3-year period. The internal audit activity is regulated by the Guide on the Implementation of International Internal Audit Standards (Ghidul privind Implementarea Standardelor Internaţionale de Audit Intern, "the Guide") issued by CAFR in order to contribute to maintaining high quality standards for the organization, management and practice of internal audit missions by financial auditors, members of CAFR, who coordinate internal audit activities, as well as those who are part of the internal audit mission teams. The internal audit company will report directly to the Board of Directors of ALUM.

Related Party transactions

The Group and the Company enter under normal terms of business, into certain transactions with shareholders, companies under common control, directors and management. The transactions between the related parties are based on mutual agreements, are not secured, and the management considers such transactions to be under normal terms.

The balances of acquisitions, debts and receivables (if applicable) regarding significant transactions with related parties on 30 December 2025 are presented in the Separate Financial Statements for 2025.

Regarding the nature of these transactions, they refer to goods sold and services rendered by the Company or acquired by the Company, if the case, from related parties. These are Alro S.A., Stocare Energie Tulcea S.A., Vimetco Management Romania SRL, Vimetco Power Romania SRL, Centrul Rivergate SRL, Rivergate Fire SRL.

For more information, about significant transactions with related parties at the date of this Report, please see *Note 11 Related party transactions* of Alum's Separate Financial Statements for 2025.

Corporate Governance

Corporate Social Responsibility

The concept of corporate social responsibility (CSR) refers to the involvement of companies in solving some problems of the communities in which they operate and represents the set of actions, principles and practices through which a company gets involved in a society, with the aim of ensuring a positive impact of its activity and contributing to the development of that society.

Within ALUM, social responsibility is the management process, as an integral part of the company's business strategy, through which it wants to contribute to the development of a sustainable and performing society in every area in which it operates.

We respect human rights and promote diversity thus contributing to improving the quality of life for all employees and community members.

Despite the current difficult situation facing the society, ALUM proves to be an active partner of the local community, getting involved in various social activities in the area, acting on several directions:

- In order to maintain a close and continuous relationship with the local community in which ALUM operates, a series of internal procedures have been developed: for the development of the mechanism regarding the resolution of petitions (procedure for the resolution of petitions), the organization of hearings, as well as the procedure regarding the relationship with mass media. In this way, the Company shows its openness to listening and solving the problems of the community and/or other interested parties (citizens, employees, local authorities, collaborating companies, etc.). The society is involved in education, training and other activities of social utility.
- Company-wide policies and codes have been reviewed and/or developed. These were brought to the attention of all employees (and were training in this regard) and other interested parties (by publishing on the company's website), so as to show that we respect the highest standards of ethics and integrity, we respect human rights, we treat everyone with respect and dignity, without direct or indirect discrimination.
- At the level of the Local Social Partnership Development Committee (CLDPS), ALUM has 2 representatives (one full member and one alternate). To support actions to support educational institutions and professional training at the local level, the company was actively involved in establishing and approving the annual activity plans in school and professional education (for the school year 2024-2025).
- ALUM participated, through its representatives, as evaluators in the professional qualification certification exams of the post-graduated and vocational education graduates within the Technological High School "Henri Coandă" from Tulcea, for level 5 (post-graduated): electronics & thermo-energy specializations, also for level 4 (vocational education): technical training as electromechanics & automation.
- ALUM is part of the County Commission for Equal Opportunities (COJES), having one member and one alternate. Through its members, ALUM participates in various meetings and information sessions which it later disseminates to employees.

Human resources development

Within ALUM, measures were taken to improve diversity in the Company. At the general level of the organization, in ALUM there are 25 employees with a position (of which 40% are women) and 75 employees without a position (of which 22.67% are women).

In particular, the percentage of women in the Company at the end of 2025 (December 31) in different categories is:

- management (directors appointed as per law 31/1990 of companies, republished) = 50% women;
- executive leadership (management) = 16.7% women;
- level 2 management (heads of various work departments) = 63.64% women;
- TESA staff without position = 68.42% women.

The professional training of our company's employees is a permanent concern, and the authorization of workers in different fields is always a priority. During 2025, all ALUM employees were trained on the policies and codes issued at the company level; they were also trained to acquire the requirements of SR EN ISO 9001:2015, SR EN ISO 14001:2015, SR EN ISO 45001:2023 and SR EN ISO 50001:2019 requirements applicable to SMI within ALUM SA.

Subsequent events

There are no material subsequent events that could have a significant impact on these financial statements.
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Code compliance statement

Status of compliance with the Bucharest Stock Exchange's Corporate Governance Code at 31 December 20245	Compliance	Non-compliance or partial compliance	Reason of non-compliance
Section A – Board of Directors Responsibilities			
A.1. The Issuer has an internal regulation of the Board which includes terms of reference for the Board and the key management functions of the company. The management of conflict of interests at the Board level is also presented in the Board's regulation.		Partially	The rules regarding the Board of Directors' organisation, functioning and attributions are detailed in the Company's Articles of Incorporations and in the Board of Directors' decisions.
A.2. Any Board member's other professional commitments, including executive and non-executive Board positions in companies (excluding the company's subsidiaries) and non-profit institutions, are disclosed to the Board before appointment and during his/her mandate.	Yes		
A.3. Any member of the Board submits to the Board, information on any relationship with a shareholder, who holds directly or indirectly shares representing not 3 less than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	Yes		
A.4. The annual report informs on whether an evaluation of the Board has taken place under the leadership of the chairman which also includes the number of its meetings.		Partially	The annual report includes the number of the meetings of the Board.
Section B - Internal Control System			
B.1. The Board adopts a policy ensuring that any transaction of the company with any of its subsidiaries that is equal to or more than 5% of the net assets of the company as stated in the latest financial report should be approved by the Board.	Yes		
B.2. The internal audit is carried out by a separate structural division (internal audit department) within the company or through retaining an independent third-party 4 entity which should report to the Board, while within the company, it should report directly to the CEO.	Yes		
Section C - Fair rewards and motivation			
C.1. The company publishes in its annual report a remuneration report including the total revenues for the Board members and the CEO for the past financial year and the total value of any bonus payments or other variable compensations and also the key assumptions		Partially	The annual report includes a remuneration report as regards the total revenues for the Board members and the CEO for the past financial year.

Status of compliance with the Bucharest Stock Exchange's Corporate Governance Code at 31 December 20245	Compliance	Non-compliance or partial compliance	Reason of non-compliance
and guidelines for calculating the above revenues.			
Section D - Building value through Investors Relations			
D.1. In addition to information required by legal provisions, the Issuer's website should have a dedicated Investors Relations section, both in Romanian and English, with all relevant information of interest for investors, including: **D.1.1.** Principal corporate regulations of the Issuer, in particular the articles of association and internal regulations of its governing bodies **D.1.2.** Professional CVs of the members of the Board and of the executive body **D.1.3.** Current reports and also periodic reports **D.1.4.** Information related to general meetings of shareholders: agenda and the materials sustaining the agenda of the meeting; the resolutions of the general meetings **D.1.5.** Information on corporate events, such as payment of the dividends, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles of such operations **D.1.6** Other extraordinary information that are provided: the break down/ change/ start of cooperation with an Authorized Adviser (AA); the signing/ renewal/ termination of agreement with a Market Maker **D.1.7.** The company has an investors relations function (IR) and includes on the IR section of the company's website the name and contact data of a person who is be able to provide knowledgeable information on request	Yes		
D.2. The Issuer adopts a dividend policy of the company, as a set of directions related to the distribution of net profit that the issuer observes it. The dividend policy principles are published on the corporate website.		Partially	A description of the dividends policy is included in the annual report.
D.3. The Issuer adopts a policy with respect to forecasts, whether it is distributed or not. Forecast means the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called, assumptions). The policy provides for the frequency, the period envisaged and content of forecasts. Forecasts, if published, are only part of annual, half-yearly or quarterly reports. The forecast policy is published on the Issuer's website.		Partially	Annually, the General Meeting of Shareholders approves the income and expenditure budget, which represents, in fact, a prognosis for each year regarding the evolution of the main indicators: the turnover, operational expenses, operational result, financial result, gross result, net result, net share result (Lei). The prognoses presented reflect the current vision of the Company's management on the evolution of the presented indicators, having in view the market conditions existing at the moment of their wording. There is no assurance that the indicators will evolve according to the forecast of the Company's management. The Company analyses the opportunity to adopt a distinct policy regarding forecasts.
D.4. The Issuer sets the date and place of a general meeting so as to enable the participation of the highest possible number of shareholders.	Yes		
D.5. The financial reports include information in both Romanian and English as regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators.	Yes		

Status of compliance with the Bucharest Stock Exchange's Corporate Governance Code at 31 December 20245	Compliance	Non-compliance or partial compliance	Reason of non-compliance
D.6. The Issuer organizes at least one meeting/conference call with analysts and investors each year. The information presented on these occasions is published in the IR section of the website of the Issuer at the time of the meeting/conference call.		No	The Company analyses the opportunity to organize such meetings/conference call.

Shareholders

General Shareholders' Meeting is convened by the Board and held at the Company's headquarters or in another place announced by the convening notice, at least once a year, not later than four months after the end of the financial year, or whenever is needed. This can be convened at the request of shareholders representing at least 5% of the share capital, in which GSM shall be convened within not more than 30 days and will meet in less than 60 days from the date of the received request. The meeting date will not be earlier than 30 days from the published notice in the Romanian Official Gazette. The notice must be published in the Romanian Official Gazette, Part IV, and in one wide circulation newspaper from Romania. In exceptional circumstances, when it is in the Company's interest, the Board can convene EGSM. The convening notice will be sent to the BSE and FSA, following the capital market regulations. The convening notice will also be available on the company website, in the section "Investor Relations - Shareholder Meeting", together with any explicative document related to the items included on the GSM's agenda, such as the annual financial statements, the Board's annual report and the proposal to distribute dividends etc. are made available to shareholders at the Company's headquarters and on the website with at least 30 days before the GSM takes place and these documents are approved.

Planning the General Shareholders' Meeting - the Chairman of the Board usually leads GSM; in certain situations, the Chairman may appoint another person to lead the meeting. The meeting's chairman will nominate a secretary, and the attending shareholders will vote on the Chairman's proposal. The meeting's secretary verifies the fulfilment of the formalities required by the law for holding the GSM and prepares the minutes of the meeting. The Chairman signs the minutes of the meeting, and the secretary represents the proof of the fulfilment of the formalities of the convening notice; they mention the date and the place of the GSM, shareholders' request, the shareholders' statements made within the GSM. To be opposable to third parties, GSM decisions will be filed within 15 days from their approval at the Trade Registry to be included within the register and published in the Romanian Official Gazette, Part IV. Decisions will be published at the same time on the Company's website.

GSM decisions are sent to BSE and FSA within 24 hours of approval, following the capital market regulations. Moreover, these decisions are available on the Company's website, within the section "Investor Relations - Shareholders Meeting."

The main responsibilities of the General Shareholders' Meeting are:

- approves or amends the Company's financial statements, after having analysed the Board of Directors and the financial auditors' reports;
- approves the profit's allotment, under the law stipulations;
- appoints and dismisses the directors; • settles the directors' remuneration for the current financial year;
- settles the general limit of the remunerations granted by the Board of Directors to the directors appointed with specific positions and to the managers;
- rules over the liability of the directors;
- appoints and dismisses the financial auditor of the Company and rules over the minimum duration of the financial audit contract;
- approves the income and expenses budget and, if applicable, the activity program for the next financial year;
- decides the pledging, renting, or dissolution of one or more of the company units;
- fulfils any other responsibility deemed by the law to be its duty.

Extraordinary General Shareholders Meeting is held at the Company's headquarters or in another place announced through the convening notice, whenever it is necessary for a decision regarding:

- the change of the Company's legal status;
- the change of the main scope of business;
- the merger with other companies or the split-off of the Company;

- the dissolution of the Company;
- the increase of its share capital;
- the decrease of its share capital or its replenishment by issuing new shares;
- the issue of bonds;
- the conversion of a class of bonds into a different class or in shares;
- the conversion of the nominative shares into bearer stock shares or of the bearer stock shares into nominative shares;
- the conversion of the shares from one class into another;
- the approval of the conclusion of legal documents by which assets in the Company's patrimony, whose value exceeds half of the Company's assets book value as of the date of concluding the legal document, are alienated, rented, exchanged or encumbered under pledge, or by which assets whose value exceeds the above value are acquired;
- the approval of the conclusion of documents by which assets in the category of non-current assets of the Company, whose value exceeds, separately or jointly, during a fiscal year, 20% of the aggregate non-current assets less the accounts receivable, are acquired, alienated, exchanged or encumbered under pledge;
- the approval of the conclusion of documents by which tangible assets are rented for a period exceeding one year, whose value, separately or jointly, as to the same co- contractor or related or person acting together, exceeds 20% of the value of total non-current assets less the accounts receivables at the date of concluding the legal document, as well as the associations for a period exceeding one year, exceeding the same value;
- the approval of the conclusion of legal documents by which a director or a manager alienates or acquires assets to or from the Company, with a value exceeding 10% of the company net assets value as well as legal documents regarding the renting or leasing of such assets;
- the approval of the organization and operation by-laws of the Board of Directors; the approval of the establishment or dissolution of secondary offices-branches, agencies, representative offices or other similar offices having no legal personality;
- the appointment and dismissal of the members of the Audit Committee, the approval of the Audit Committee's terms of reference, the establishment of the mandate duration and the remuneration of the Audit Committee's members;
- any other responsibility deemed by the law to be its duty.

Shareholders - rights and obligations

The current legislation adequately protects the rights of the Company's minority shareholders in force. Shareholders have the right to obtain relevant information about the Company on time and a periodical basis. They have the right to be informed about the decisions regarding the changes of any kind occurring in the Company to understand how these may affect their rights. Each share subscribed and paid in by shareholders gives them the right to vote in the GSM, the right to elect and be elected in the management bodies, and the right to participate in the distribution of profits according to the Company's Articles of Association to the legal provisions.

Also, several critical decisions are exercised by the shareholders, such as:

- **Summoning of the GSM**: shareholders representing at least 5% of the share capital have the right to request the convocation of GSM, a situation in which the GSM will be convened not later than 30 days and will take place in less than 60 days from date of the request;
- **Adding new items on GSM agenda**: one or more shareholders representing, individually or collectively, at least 5% of the Company's share capital have the right to introduce new items on the GSM agenda (each new item will be accompanied by a rationale or by a decision draft proposed for resolution by the GSM) and to present decision drafts for the points included or proposed to be included on the GSM agenda, within 15 days from the day when the convocation was published in the Romanian Official Gazette;
- **GSM participation**: Company's practice is to promote the participation of its shareholders in the GSM actively and they are invited to address questions on issues to be discussed during such meetings. Shareholders may attend the General Shareholders' Meeting in person, by correspondence or through a representative having a mandate.

The mandate can be: (i) special, using a particular mandate model that will be provided by the Company or (ii) general, valid for maximum of three years, which allows their representative to vote on all issues under discussion within the Company's General Shareholders' Meeting or several companies identified in the mandate, including as regards acts of disposal, on the condition that the shareholder grant the mandate, as a client, to a lawyer or an intermediate - financial investment services companies authorized by FSA, credit institutions authorized by the National Bank of Romania, in accordance with the applicable banks'

regulations, as well as similar entities authorized in EU member or non-member states to perform financial investment services. Shareholders registered in the shareholders' register may vote by correspondence before the GSM meeting, using the voting form used for the correspondence voting provided at the Company's headquarters and/ or on the company website. More information can be found in the Company Procedures o regarding the exercising of voting rights by shareholders in GSM.

Shareholders' questions: The Company's shareholders, no matter the number of shares held, have the right to send written questions to the Company headquarters regarding the GSM agenda. The questions shall be submitted or sent in an enclosed envelope to the Company's registered office so that the Registration Office of the Company may record them, at least seven calendar days before the date of the meeting, with the following specification written in capital letters "FOR THE ORDINARY AND/ OR EXTRAORDINARY GENERAL SHAREHOLDERS MEETING AS OF / /."

To be able to identify the shareholder capacity of the person who has sent the questions or making proposals to supplement the agenda, the legal representatives of the Company may ask the respective person to present some documents supporting his/ her identity, and the statement of account proving the shareholder capacity and the number of shares held, issued by the Central Depository or, as applicable, by participants providing custody services. More information regarding the documentation necessary to exercise this right might be obtained from the Regulations regarding the exercise of voting rights by shareholders within the GSM or addressing questions to the Investors Relations responsible person. Any sensitive information of the Company that may lead to loss or a competitive disadvantage to the Company will be avoided when the responses are communicated to protect the shareholders' interest.

ALUM is listed on the secondary market, ATS segment – AeRO – however, it applies the same best practices when it comes to corporate governance rules and complies with all the regulations in force for listed companies on BSE.

Responsibilities of the Board of Directors

The **Board of Directors** represents the highest forum in respect of the Company's management and along with its executive directors ensures the smooth running of day-to-day operations and is directly involved in the strategic decisions that have a direct impact on the Company's activities. The members of the Board are in a permanent dialogue with the executive directors and are taking into consideration the interests of the Company, its shareholders and the interests of the Company's employees.

The Board of Directors has to keep the public informed at least about:

- the role and obligations of the Board;
- the Board's structure, mentioning the number of administrators (executive and non-executive, independent members);
- the manner of appointment of the Board members and the procedure of electing them;
- the prerogatives and responsibilities of each corporate governance structure;
- the Board and Executive Management members' remuneration policy.

The Board current structure ensures that a balance between executive and non-executive members is maintained. The Board of Directors has several members that guarantee the efficiency of its ability to oversee, analyze, and evaluate the work of managers and the fair treatment of shareholders. Moreover, the Company considers the independence of its members. Thus, during 2025, ALUM's Board of Directors had one independent member (20%).

Nevertheless, the decision-making process remains a collective responsibility of the Board, which will be held responsible for all decisions made while carrying out its competencies. The Board is responsible for reviewing relevant documents to achieve the Company's main scope of the business, except the ones required by law and statutory for GSM or the Company's Management.

The election of Board members is made through a formal, rigorous procedure. The Company publishes on its website the CVs of the candidates proposed for being elected as Directors and the qualifications they hold. Every time a Board member is nominated, GSM aims to ensure a balanced structure of the management body, in line with the Company's activity.

As a principle, the nomination of a Board members takes into consideration the graduation of long-term higher education studies, as well as one or more from the following personal and/ or professional qualifications:

- holding a technical qualification in the field in which the Company activates;

- significant management experience, no matter the field in which it was obtained;
- economic education, specialization or training classes;
- practical communication skills;
- ability to contribute to the Company's development strategies;
- good moral conduct

The Board of Directors activates following the Company's Articles of Association, the Rules of Organization and Operation of the Board and other internal policies for the consultative Committees. The Board meets at least once every month or whenever the situation requires it. The agenda of these meetings complies with the role and obligations of the Board of Directors following the law and the Articles of Association.

The main competences of the Board of Directors are:

- enforces the decisions taken by the GSM;
- decides the main activity and development directions of the Company;
- determines the accounting and financial control system and approves financial planning; • endorses the Company's annual financial statements;
- submits to the financial auditor with at least one month before the day scheduled for the GSM, the annual financial statements for the previous financial year, together with the Board's report and the supporting documents;
- annually submits for the approval of the OGSM, within four months from the closing of the financial year, the report regarding the activity of the company and the financial statements for the previous year;
- annually submits for the approval of the OGSM the revenues and expenditure budget and the activity programme for the following financial year, if the case;
- approves the signing of any legal documents on behalf of the Company, except for those that need, as per the compulsory provisions of the law and the company's articles of association, the approval of the GSM, and except for those that the CEO, acting alone or together with the CFO, may sign without the approval of the Board of Directors, as per the limits settled by the provisions of the articles of association or by the Board of Director's decision;
- approves the change of the registered office of the Company;
- approves the change of the Company's secondary scope of business;
- establishes the additional remuneration of the Directors in charge with specific positions, as well as the executive directors' remuneration, within the general limit approved by the OGSM;
- approves the organizational structure and the internal rules and regulations of the Company;
- appoints and dismisses the CEO and the CFO;
- establishes how the activity of the CEO and the CFO is organized;
- supervises the activity of the CEO and the CFO;
- organizes the internal audit activity;
- establishes the Company's marketing strategy and tactics;
- approves the investment plan of the Company; decides concerning the market on which the securities issued by the Company shall be quoted and decides over the private independent authorized to hold the registry of the shares issued by the Company;
- submits the request for opening the insolvency procedure of the Company as per Law no. 85/2014 regarding the insolvency procedure prevention and insolvency procedure;
- decides on any other issues within its competence.

The Biography of the Board's members

The Board of Directors represents both the interests of the Company and of its shareholders and is responsible for the overall management of the Company. At 31 December 2025, ALUM's Board of Directors consisted of 5 members.

Genoveva Năstase (1975), President of the Board, Non-executive Member of the Board of Directors

Genoveva Năstase graduated from the Academy of Economic Studies Faculty of Commerce in 1999. She also graduated with the Executive MBA organized by ASEBUSS in partnership with Kennesaw State University, Atlanta, USA, in 2018. Genoveva Năstase has extensive experience in corporate finance, financial modelling & reporting and financial analysis, working previously at Deloitte & Touche in Romania and some other advisory boutique companies. Genoveva Năstase has been working with the ALRO Group since 2002, covering the financial affairs of the Group companies from a Deputy CFO position till 2013 and then from a CFO position till today. Ms. Genoveva Năstase is an Executive Member of the Board of Directors, appointed in 2022 in Alro.

Starting with February 2025, she is the President of the Board of Directors of the Alum company.

Igor HIGER (1978), Vice-President of the Board, Non-executive Member of the Board of Directors

Mr. Non-executive Member of the Board of Directors appointed in April 2022
Mr. Higer has a wide multicultural international experience in several industries.
From 2005 up to present including, Mr. Higer was focusing on business development and strategy advise to ALRO and companies comprising Vimetco Group but acting also as managing partner for projects in the areas of manufacturing, mining and real estate in various countries worldwide, including Israel and Romania.
In 2007, Mr. Higer was appointed Chairman of the Board in Vimetco Extrusion. Starting 2009 was appointed as CEO of the company, having as main achievements:

- overall increase company's financial and economic performance;
- technological upgrade in accordance with highest international standards;
- development of new markets with emphasize on production of very high added value products;
- significant investments related to environment which have led to improved working conditions;
- cost reduction actions with focus on increasing efficiency for energy and raw material consumption;
- boost social responsibility programs for both employees and local community;
- increase company's creditworthiness on the international aluminum market.

Pop Răzvan-Sebastian (1979), Non-executive Member of the Board of Directors

Graduate of the Aurel Vlaicu Faculty Arad, specialization in Mechanical Engineering - Railway Transport section, with numerous trainings in extrusion, soft skills and consultancy between 2003 and 2019. Since 2008 he has been part of the Vimetco Extrusion team, as Operational Director and General Manager, proving a special involvement that led to visible results in the organization and profitability of the company, until 2017. Since 2019 he has been a Consultant in Vimetco Extrusion, with a focus on investments that would major change the company's trajectory due to his expertise in the area of management and communication.
Mr. Pop Răzvan-Sebastian is Deputy General Manager - Processed Aluminum Division, appointed in October 2024. Starting with February 2025, he is a non-executive member of the Board of Directors of the Alum company.

Popa Ioan (1950), Non-executive Member of the Board of Directors

Mr. Popa Ioan was Director of International Economic Relations Department of the Faculty of International Economic Relations, Academy of Economic Studies Bucharest. The main tasks were to develop the curriculum of the Department of International Economic Relations, Master coordination of the Department of International Economic Relations and organization of scientific meetings.
Between 1991 and 2004, Mr. Popa was Dean of the Faculty of International Economic Relations and has made major contributions to:
- Establishment of the Faculty of International Economic Relations, Development of the curriculum of the Faculty of International Economic Relations;
- Entering and managing the following courses: international capital markets, international commodity Scholarship, risk management in international business, international business transactions, commercial negotiation, engineering operations of foreign trade, international management, international payments engineering;
- Coordination Module for Advanced Studies "international business management";
- Development and coordination of the inter-university partnership in European programs Tempus and Temper;
- Development, in partnership Tempus and Temper, of the curricula of partner faculties by introducing new disciplines and coordinating the publication of course materials;
- Establishing and coordinating the Centre for Research in International Economic Relations, NURC accredited.
Chairman of the Editorial Board of the Journal of Economic (Romanian Economic Journal)
Founding member and President of the Foundation "REI 50" organization with educational and research purposes.
Visiting Professor at the Université de Lille I, France, 1-2 months/year.

Duralia Mihaela (1976), Executive Member of the Board of Directors

Mrs. Mihaela Duralia graduated Romanian-American University, Bucharest, Faculty of Computer Science Management, having academic skills in Investment Banking, Financial Management, Corporate Finance, Financial and Managerial Accounting, Options & Futures, Financial Risk Management, Operational Research & Statistics, Computer Science.
Mrs. Duralia is part of Alum's team since 2000 and advanced from the position of economist to the executive management of the Company. Starting with May 2005 Ms. Duralia acts as CFO of the Company and has the following main responsibilities: business development, strategy, financial planning, Corporate & Project Finance, recruitment, budgeting, supervision of financial control and reporting, investor relations and focus on financial risk management.
Mrs. Duralia is a member of the Board of Directors of Alum SA Tulcea since 2013.

The remuneration of the members of the Board of Directors and the CEO during 2025 was in amount of RON 1,221,138.

Risk management and internal control system

The Company's risk management system goals seek to secure the daily operations and provide economic value-added in the medium and long term. This is possible by effectively managing the risks the Group companies are exposed to and estimating their potential impact on cash flows by meeting the limits set by management regarding the risk appetite .

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance. The Company does not use derivatives to cover the above-mentioned risks.

Currency risk

The Company is exposed to foreign exchange risk because the predominant part of its sales is denominated in or linked to the USD or EUR, while the vast majority of its operating costs (such as power costs, wages, etc.) are denominated in or linked to the RON. The currency exposure is related to the fact that most of the Company's receivables are linked to USD of EUR while the liabilities are denominated in RON. The Company is therefore exposed to the risk that movements in the RON/USD exchange rates will affect both its net income and financial position, as expressed in RON.

The Company's foreign currency exposure results from:

- highly probable forecast transactions (sales/purchases) denominated in foreign currencies;
  firm commitments denominated in foreign currencies; and
  monetary assets and liabilities (mainly trade receivables, trade payables and loans) denominated in foreign currencies.

Interest rate risk

As of December 31, 2025 and December 31, 2024, the Company has no interest-bearing assets or liabilities.

Credit risk

Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk arising from its operational activities, particularly commercial activities and financial activities.

Trade receivables arise from customers spread across diverse industries and geographical areas. In order for the Company to minimize the credit risk, a part of the receivables is immediately sold to banks by factoring transactions on a non-recourse basis. For other receivables, which are not covered by factoring contracts, the financial quality of the debtors is permanently monitored, and the Company exposure from the concluded transactions is spread amongst approved counterparties. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

Ongoing credit evaluation is performed on the financial condition of accounts receivable and credit history of debtors and, where appropriate, credit risk insurance is required.

Credit risk from transactions with banks and financial institutions is managed by the Treasury department. Investment of surplus funds is done only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimize the concentration of risks and therefore mitigate the potential for financial loss through counterparty failure. No material exposure is considered to exist by virtue of the possible non-performance by the counterparties in respect of financial instruments.

Liquidity risk

Considering the current business environment, the Company monitor the liquidity risk. The operational and financial cash inflows and outflows are being monitored and analyzed monthly and, in some cases, daily to notice any unexpected change in the Company liquidity immediately. Based on this analysis, the management can make the best decisions on the financing necessities for the Company to has the necessary capital to meet all current and future financial obligations and ensure their solvability.

In terms of liquidity, in 2025 the Company repaid its liabilities and loans in accordance with the schedules as agreed in the contracts. Other actions put in place to manage the liquidity of the Company and assuring a satisfactory level of cash in times of more uncertainty than usually were: limiting CAPEX to strictly necessary investments, optimizing acquisitions of materials and inventory levels.

Taxation

The current tax payable is based on the taxable profit realized during the year. The taxable profit differs from the retained profit within the consolidated statement of profit or loss because of the revenues or expenses items taxable or deductible in some years and because of things that are never taxable or deductible.

Effective 1 January 2024, a new Law No. 296/2023 was enacted requiring that entities with a turnover exceeding EUR 50 million in the previous year, and with a calculated profit tax lower than 1% of their turnover, must pay an income tax equal to this higher 1% of calculated turnover based on a provided formula (minimum turnover tax). In 2024, the Company calculated this minimum turnover tax according to the law and it exceeded the profit tax. Consequently, the Company recognized a current income tax payable, at the level of the minimum turnover tax, of RON 1,123 thousand in the Separate Statements of profit or loss. For 2025, the condition that the turnover from the previous year to be greater than EUR 50 million was no longer met, so IMCA was no longer recognized and registered.

The Company's current income tax liability is determined using tax rates applied according to the legislation in force during the reporting period.

Alum and its subsidiaries, being part of Vimetco Group, a multinational enterprise group is within the scope of the OECD Pillar Two model legislation, which was enacted in Romania, the jurisdiction in which Alum, Alro and subsidiaries are incorporated. Law no. 431/2023, published on 5 January 2024, transposes the provisions of Directive (EU) 2022/2523 to introduce into the Romanian legislation a complex system of rules for an effective minimum taxation of 15% for multinational enterprise groups and large-scale domestic groups with annual consolidated revenues of at least EUR 750 million in at least two of the four previous financial exercises. The law applies in respect of financial years beginning on or after 31 December 2023, except for the UTPR, which applies in respect of financial years beginning on or after 31 December 2024.

Under the legislation, the group is liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. In applying this law, the provisions of the Global Anti-Base Erosion (GloBE) Model Rules (Pillar Two), as issued by the OECD, must be considered, including the Administrative Guidance on GloBE Rules and the Safe Harbour and Penalty Relief Rules. These documents, along with any future OECD amendments or guidance, serve as key references for interpretation.

Internal control system

The Company's internal control system aims to ensure compliance with the regulations in force, the flawless operation of the internal activity, following the decisions made by the management. It also contributes to the effectiveness of the processes, the efficient use of resources, prevention, and control of the risk of failing to achieve its set goals.

As a result, the main objectives of the internal control procedures:
- on one hand, to ensure the compliance of the Company's activity and the staff conduct with the framework of applicable laws, values, rules and internal rules of society;
- on the other hand, checking whether the accounting, financial and business management information communicated accurately reflect the situation of society.

Control activities are an integral part of the process by which the entity seeks to achieve management objectives. Control concerns the application of rules and internal control procedures at all levels: approval, authorization, verification, assessment of operational performance, asset security, separation of functions.

In 2024, the Company concluded a contract with an external company as internal auditor of Alum for a 3-year period. The internal audit activity is regulated by the Guide on the Implementation of International Internal Audit Standards (Ghidul privind Implementarea Standardelor Internaţionale de Audit Intern, "the Guide") issued by CAFR in order to contribute to maintaining high quality standards for the organization, management and practice of internal audit missions by financial auditors, members of CAFR, who coordinate internal audit activities, as well as those who are part of the internal audit mission teams. The internal audit company will report directly to the Board of Directors of ALUM.

Compliance with Whistleblower Legislation

Alum has an internal procedure regarding the handling of requests, complaints, and reports that was revised to comply with the requirements of Directive (EU) No. 1937/2019 – on the protection of persons who report breaches of Union law, and Law No. 361/2022 – the whistleblower protection law. By this procedure, channels are created and made available for whistleblowers to submit reports: on Alum's website and intranet, informational pages are created regarding how reports can be made and the steps that will follow a report (complaint).
The channels made available to whistleblowers are as follows:

- A report collection form on the website/intranet pages;
- e-mail address alum@alum.ro;
- Specially created mailboxes at the company's gates for receiving complaints;
- Reports can also be sent by mail to ALUM's address: 82, Isaccei Street, Tulcea;
- Reports can also be made in person to the person designated by ALUM to receive reports and initiate the subsequent actions for resolving the reports.

In 2025, no reports were registered on the reporting channels regarding violations of legislation or internal procedures.

Sustainable development and Corporate Social Responsibility (CSR)

Sustainable development

The constant involvement in environmental protection activities is part of the ALRO Group's and ALUM Company's long-term development strategy. The Company permanently monitors its environmental footprint and takes the necessary measures to comply with the specific environmental rules.

ALUM holds the Integrated Environmental Authorisation, permanently under monitoring and reporting obligations.
It also has about 41 other authorisations, certifications, attestations, and accreditations, among which we mention the following :

- certificate for quality management system according to SR EN ISO 9001:2015;
- certificate for environmental management system according to SR EN ISO 14001:2015;
- certificate for occupational health and safety management according to SR EN ISO 45001:2023;
- energy management system certificate according to SR EN ISO 50001:2019;

- in October 2025, ALUM recertified the integrated quality - environment - health and safety at work - energy management system according to the following reference standards : SR EN ISO 9001: 2015; SR EN ISO 14001:2015, SR EN ISO 45001:2023 and SR EN ISO 50001:2019;
- Starting with 2017, we have implemented in ALUM an energy management system based on the ISO 50001 standard;
- Starting with the 3rd quarter of 2024, ALUM started the definition and implementation within SMI (Quality-Environment - OSH - Energy) of the standards: SA 8000:2014 Social responsibility management system and SR EN ISO/IEC 27001:2023 – Information technology, cyber security and privacy protection - Information security management systems and alignment with the standards: ISO 55001:2024;
- Asset management — Asset management system, SR EN ISO/ IEC 17025:2018 - General requirements for the competence of testing and calibration laboratories and Aluminum Stewardship Initiative (ASI) – Performance Standard V3 (2022).

Currently, the Company is not involved in lawsuits concerning the impact of its activities on the environment and does not expect such situations that might include any violation of environmental protection legislation.

Environmental responsibility

Alum's main goals regarding the environment are the following:

- Compliance with the environmental law adopted under the requirements of the European Directives and strictly respect all legal regulations applicable to the company;
- Continuous improvement of activities, processes, products and environmental performance;
- Preparation for emergencies situations and the ability to respond, organizing and conducting simulation exercises for incidents involving dangerous substances;
- Pollution prevention and combat the environmental factors through investments, organizational measures, maintenance and repairs and technological changes.

The Company carries out a risk identification activity that considers environmental aspects and impacts and the attributes of each job, and simulations are performed to test the response capacity of employees in case of possible accidents.

Although the Company does not directly assess its suppliers' environmental and social impact, a reputational risk assessment is performed in the supplier evaluation process, which consists of verifying the information regarding the possible legal problems or conflicts in which the evaluated supplier is involved. If the supplier has a legal history of incidents and actions in court, including violations of environmental legislation, these issues will be considered reputational risks.

Starting with 2017, ALRO Group publishes, in addition to the Annual Report, a Sustainability Report in line with the G4 Core Global Reporting Initiative Guidelines (GRI). This report describes how ALRO Group performs, monitors and achieves the most important environmental, social and corporate governance issues.
The Sustainability Report enhances the information provided on the Group, Parent-Company and its main subsidiaries actions realised in the sustainability area in the same transparent manner as the Annual Report and adds value to shareholders, other stakeholders and to the communities in which the Group and its subsidiaries operate.

ALUM is part of ALRO Group and the mandatory requirement for preparing a Sustainability Report is covered by the fact that the Parent-Company, ALRO decided to prepare a Consolidated Sustainability l Report, i.e. ALRO Group's Sustainability Report. This Report is available for the public to consult on ALUM's website.

In addition, the Group has a Sustainability Strategy, which represents the Group's commitment to reducing the negative impacts generated by its activities and its concern with creating a future for new generations. The pillars of Sustainability on which this strategy is based are: Safeguarding our Future, initiating a Healthy, fostered and prepared workforce, Creating Value for our Community and Responsible and Sustainable Business.

ALUM SA

Separate financial statements
for the year ended 31 December 2025 - audited

Code 10 No.		Row	31 December 2024	31 December 2025
A	**NON-CURRENT ASSETS**			
I	**Intangible assets**			
	1 Set-up expenses	**01**	-	-
	2 Development expenses	**02**	-	-
	3 Concessions rights, patents, licenses, trademarks, similar rights and values and other intangible assets	**03**	787	-
	4 Goodwill	**04**	-	-
	5 Intangible assets for exploration and evaluation of mineral resources	**05**	-	-
	6 Advances	**06**	-	-
	Total (rows 01 to 06)	**07**	**787**	**-**
II	**Property, plant and equipment**			
	1 Land and buildings	**08**	38,048,758	5.840.731
	2 Technical installations and machinery	**09**	20,738,611	4.287.149
	3 Other fixtures, plant and furniture	**10**	164,980	30.954
	4 Investment property	**11**	-	-
	5 Tangible assets in progress	**12**	13,566,411	-
	6 Investment property in progress	**13**	-	-
	7 Tangible assets for exploration and evaluation of mineral resources	**14**	-	-
	8 Biological assets	**15**	-	-
	9 Advances	**16**	-	-
	Total (rows 08 to 16)	**17**	**72,518,759**	**10.158.834**
III	**Financial assets**			
	1 Shares held in subsidiaries	**18**	-	-
	2 Loans to Group companies	**19**	-	-
	3 Shares in associates and jointly controlled entities	**20**	-	18.000
	4 Loans to entities based on participating interests	**21**	-	-
	5 Other non-current investments	**22**	-	-
	6 Other borrowings	**23**	-	-
	Total (rows 18 to 23)	**24**	**-**	**18.000**
	Total NON-CURRENT ASSETS (rows 07+17+24)	**25**	**72,519,546**	**10.176.834**
B	**CURRENT ASSETS**			
I	**Inventories**			
	1 Raw materials and consumables	**26**	48,789,052	38.266.217
	2 Work in progress	**27**	48,273,016	46.078.546
	3 Finished goods and merchandise	**28**	3,014,363	1.086.753
	4 Advances	**29**	265,938	287.810
	Total (rows 26 to 29)	**30**	**100,342,369**	**85.719.326**
II	**Receivables**			
	1 Trade receivables	**31**	7,125,376	7.560.929
	2 Amounts receivable from related parties	**32**	-	107
	3 Amounts receivable from associates and jointly controlled entities	**33**	-	-
	4 Other receivables	**34**	1,355,747	113.011
	5 Capital subscribed and not paid in	**35**	-	-
	6 Receivables representing dividends distributed during the financial year	**35a**		
	Total (rows 31 to 35 + 35a)	**36**	**8,481,124**	**7.674.047**
III	**Short term financial investments**			
	1 Shares held in related parties	**37**	-	-
	2 Other short term investments	**38**	-	-
	Total (rows 37+38)	**39**	**-**	**-**
IV	**Petty cash and bank accounts**	**40**	**779,388**	**384.155**

Code 10 No.		Row	31 December 2024	31 December 2025
	TOTAL CURRENT ASSETS (rows 30+36+39+40)	**41**	**109,602,881**	**93.777.527**
C	**PREPAID EXPENSES (rows 43+44)**	**42**	**245,237**	**197.863**
	Amounts to be reversed within 1 year	**43**	245,237	197.863
	Amounts to be reversed within a period above 1 year	**44**	-	-
D	**PAYABLES WITHIN 1 YEAR**			
	1 Debenture loans	**45**	-	-
	2 Amounts due to credit institutions	**46**	-	-
	3 Advances received from orders	**47**	42,500,071	42.504.565
	4 Trade suppliers	**48**	3,147,295	4.374.290
	5 Bills of exchange payable	**49**	-	-
	6 Amounts due to Group companies	**50**	-	-
	7 Amounts due to associates and jointly controlled entities	**51**	-	-
	8 Other payables, including tax and social security	**52**	2,872,529	2.341.364
	Total (rows 45 to 52)	**53**	**48,519,894**	**49.220.219**
E	**NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 41+43-53-70-73-76)**	**54**	**60,949,444**	**44.376.391**
F	**TOTAL ASSETS MINUS CURRENT LIABILITIES (rows 25+44+54)**	**55**	**133,468,990**	**54.553.225**
G	**PAYABLES IN A PERIOD ABOVE 1 YEAR**			
	1 Debenture loans	**56**	-	-
	2 Amounts due to credit institutions	**57**	-	-
	3 Advances received from orders	**58**	-	-
	4 Trade suppliers	**59**	-	-
	5 Bills of exchange payable	**60**	-	-
	6 Amounts due to Group companies	**61**	-	-
	7 Amounts due to associates and jointly controlled entities	**62**	-	-
	8 Other payables, including tax and social security	**63**	30,441	6.488
	Total (rd. 56 la 63)	**64**	**30,441**	**6.488**
H	**PROVISIONS**			
	1 Provisions for employees benefits	**65**	1,412,503	1.550.807
	2 Provisions for taxes	**66**	-	-
	3 Other provisions	**67**	23,155,893	23.103.825
	Total (rows 56 to 63)	**68**	**24,568,396**	**24.654.632**
I	**DEFERRED INCOME**			
	1 Subsidies for investments (rows 70+71)	**69**	3,440,585	3.061.805
	Amounts to be reversed within 1 year	**70**	378,780	378.780
	Amounts to be reversed within a period above 1 year	**71**	3,061,805	2.683.025
	2 Deferred income (rows 73+74)	**72**	-	-
	Amounts to be reversed within 1 year	**73**	-	-
	Amounts to be reversed within a period above 1 year	**74**	-	-
	3 Deferred income for assets transferred from clients (rows 76+77)	**75**	-	-
	Amounts to be reversed within 1 year	**76**	-	-
	Amounts to be reversed within a period above 1 year	**77**	-	-
	4 Negative goodwill	**78**	-	-
	TOTAL (rows 69+72+75+78)	**79**	**3,440,585**	**3.061.805**
J	**EQUITY AND RESERVES**			
I	**Equity**			
	1 Capital subscribed and paid in	**80**	488,412,908	488.412.908
	2 Capital subscribed and not paid in	**81**	-	-
	3 State regis patrimony (State-owned shares)	**82**	-	-
	4 Patrimony of national research and development institutes	**83**	-	-
	5 Other equity items	**84**	-	-
	TOTAL (rows 80 to 84)	**85**	**488,412,908**	**488.412.908**
II	**Share premiums**	**86**	**-**	**-**
III	**Revaluation reserves**	**87**	**12,464,382**	**9.732.992**
IV	**Reserves**			

Code 10 No.		Row	31 December 2024	31 December 2025
1	Legal reserves	**88**	20,628,155	20.628.155
2	Statutory or contractual reserves	**89**	-	-
3	Other reserves	**90**	53,511	53.511
	TOTAL (rows 88 to 90)	**91**	**20,681,666**	**20.681.666**
	Own shares	**92**	-	-
	Gains related to equity instruments	**93**	-	-
	Losses related to equity instruments	**94**	-	-
V	**PROFIT OR LOSS CARRIED FORWARD**			
	– C balance	**95**	-	-
	– D balance	**96**	419,153,873	413.019.218
VI	**PROFIT OR LOSS FOR THE YEAR**			
	– C balance	**97**	3,641,469	-
	– D balance	**98**	-	78.599.268
	Allocation of profit	**99**	238,204	-
	Total equity (rows 85+86+87+91-92+93-94+95-96+97-98-99)	**100**	**105,808,348**	**27.209.080**
	Public patrimony	**101**	-	-
	Private patrimony	**102**	-	-
	TOTAL EQUITY AND RESERVES (rows 100+101+102)	**103**	**105,808,348**	**27.209.080**

These separate financial statements were approved on 24 April 2026.

Code 20 No.		Row	Year ended 31 December 2024	Year ended 31 December 2025
1	**Net turnover (rows 02+03-04+06)**	**01**	**81,709,134**	**29,485,338**
	of which, the net turnover corresponding to the predominant activity actually carried out	**01a**	66,285,876	23,441,682
	Income from production sold	**02**	25,943,891	27,110,925
	Income from sales of merchandises	**03**	55,765,243	2,374,412
	Commercial discounts granted	**04**	-	-
	Income from operating subsidies pertaining to net turnover	**06**	-	-
2	Income pertaining to the cost of the Work in progress			
	– C balance	**07**	-	-
	– D balance	**08**	10,542,110	2,671,062
3	Income from production of intangible and tangible assets	**09**	-	-
4	Income from revaluation of tangible assets	**10**	-	-
5	Income from investment property production	**11**	-	-
6	Income from operating subsidies	**12**	-	-
7	Other operating income	**13**	29,733,695	1,600,133
	out of which, income from negative goodwill	**14**	-	-
	out of which, income from subsidies for investments	**15**	378,780	378,780
	Total operating income (rows 01+07-08+09+10+11+12+13)	**16**	**100,900,720**	**28,414,409**
8	a) Raw materials and consumables	**17**	4,764,942	647,096
	Other expenses with materials	**18**	411,914	107,304
	b) Utilities expenses, out of which:	**19**	3,550,232	3,548,213
	- expenses with energy consumption (acc. 6051)	**19a**	3,411,988	3,447,908
	- expenses with natural gas consumption (acc. 6053)	**19b**	50,468	3,391
	c) Merchandise expenses	**20**	51,884,818	914,687
	Commercial discounts received	**21**	-	5,971
9	**Personnel related expenses (rows 23+24), out of which:**	**22**	**17,207,253**	**12,747,297**
	a) Salaries and wages	**23**	16,605,315	12,348,737
	b) Social security	**24**	601,938	398,560
10	**a) Value adjustments for tangible and intangible assets value (rows 25a+26-27)**	**25**	**2,811,090**	**60,076,081**
	a.1) Operating expenses regarding depreciation of fixed assets (acc. 6811)	**25a**	4,606,043	3,703,242
	a. 2) Other expenses	**26**	1,340	57,390,826
	a. 3) Revenues	**27**	1,796,293	1,017,987
	b) Value adjustments for current assets value (rows 29-30)	**28**	**-3,956,080**	**11,210,101**
	b. 1) Expenses	**29**	7,144	11,254,527
	b. 2) Revenues	**30**	3,963,224	44,426
11	**Other operating expenses (rows 32+33+ +33d+33f+33h+33j+34+35+36+37)**	**31**	**18,644,342**	**16,209,047**
	11.1. External services	**32**	13,195,735	12,377,059
	11.2. Expenses with royalties, management locations and rents, of which:	**33**	324,783	324,963
	- expenses with royalties	**33a**	-	-
	- expenses with management locations	**33b**	-	-
	- rent expenses	**33c**	324,783	324,963
	11.3. Expenses related to intellectual property rights, of which:	**33d**	-	-
	- expenses incurred with affiliates	**33e**	-	-
	11.4. Management expenses, of which:	**33f**	179,093	-
	- expenses incurred with affiliates	**33g**	-	-
	11.5. Consulting expenses, of which:	**33h**	302,799	212,220
	- expenses incurred with affiliates	**33i**	-	-
	11.6. Other taxes and similar payments; expenses for transfers and contributions due based on special normative acts	**33j**	1,603,300	1,761,563
	11.7. Expenses on environmental protection	**34**	388,186	357,741

Code 20 No.		Row	Year ended 31 December 2024	Year ended 31 December 2025
	11.8. Expenses from revaluation of tangible assets	35	-	-
	11.9. Expenses related to calamities and other similar events	36	-	-
	11.10. Other expenses	37	2,650,446	1,175,501
12	**Impairment adjustments (rows 40-41)**	39	**-568,401**	**138,304**
	Expenses	40	-	154,175
	Income	41	568,401	15,870
	Total operating expenses (rows 17 to 20-21+22+25+28+31+39)	42	**94,750,109**	**105,592,157**
	Operating Result			
	- profit (rows 16-42)	43	6,150,612	-
	- loss (rows 42-16)	44		77,177,748
13	Income from participating interests	45	-	-
	- of which, income from affiliates	46	-	-
14	Interest income	47	139	28
	- of which, income obtained from affiliates	48	-	-
15	Income from operating subsidies for the interest owed	49	-	-
16	Other financial income	50	1,131,752	82,272
	- of which, income from other financial investments	51	-	-
	Total financial income (rows 45+47+49+50)	52	**1,131,891**	**82,300**
17	Value adjustments for long term financial assets and financial investments held as current assets (rows 54-55)	53	**-**	**-**
	Expenses	54	-	-
	Income	55	-	-
18	Interest expenses	56	1,523,270	1,398,616
	- of which, expenses incurred with affiliates	57	-	-
19	Other financial expenses	58	995,154	105,203
	Total financial expenses (rows 53+56+58)	59	**2,518,424**	**1,503,819**
	Financial result			
	- profit (rows 52-59)	60	-	-
	- loss (rows 59-52)	61	1,386,533	1,421,520
	Total income (rows 16+52)	62	**102,032,611**	**28,496,708**
	Total expenses (rows 42+59)	63	**97,268,533**	**107,095,976**
	Gross result			
	- profit (rows 62-63)	64	4,764,078	-
	- loss (rows 63-62)	65	-	78,599,268
20	Income tax	66	-	-
21	Expenses with profit tax, respectively profit tax at the level of the minimum turnover tax, resulting from settlements within the fiscal group in the field of profit tax (acc. 694)	66a	-	-
22	Revenues from profit tax, respectively profit tax at the minimum turnover tax level, resulting from settlements within the fiscal group in the field of profit tax (acc. 794)	66b	-	-
23	Income tax expenses at the level of the minimum turnover tax (acc. 697)	67a	1,122,609	-
24	Other taxes not included in the captions above	68	-	-
	Net result for the year			
	- profit (rows (64+66b)-(65+66+66a+67+67a+68))	69	3,641,469	-
	- loss (rows (65+66+66a+67+67a+68)-(64 +66b))	70	-	78,599,268

These separate financial statements were approved on 24 April 2026.

	Year ended 31 December 2024	Year ended 31 December 2025
Cash flows from operations		
Gross result	**4,764,078**	**-78,599,268**
Adjustments for:		
Amortization/depreciation of intangible and tangible assets	4,606,043	3,703,242
Adjustment for the impairment of tangible assets	-	57,390,826
Adjustments for the impairment of receivables	7,144	206,220
Provisions	-568,401	138,304
Adjustments for the impairment of inventories	-3,963,224	11,003,881
(Profit)/loss from foreign exchange differences	602,361	9,160
Net earnings pertaining to disposals of tangible assets	368,424	-1,090,802
Interest income	-139	-28
Interest expenses	1,523,270	1,398,616
Dividend income	-	-
Cash from operations before changes to working capital	**7,339,555**	**-5,839,850**
Decrease of inventories	41,638,723	3,619,163
increase of trade receivables and other receivables	-4,428,087	-627,445
Increase/(decrease) in trade payables and other payables	-59,276,233	1,793,784
Cash from operations	**-14,726,041**	**-1,054,348**
Interests received	139	28
Interests paid	-141,090	-
Income tax paid	-891,063	-231,546
Net cash from operations	**-15,758,055**	**-1,285,866**
Cash flow from investment activities		
Sales/(Purchases) of tangible and intangible assets	-692,642	908,632
Net cash from investment activities	**-692,642**	**908,632**
Cash flow from financing activities		
Repayment of loans	-3,076,423	-
Net cash from financing activities	**-3,076,423**	**-**
Cash and cash equivalents at the beginning of the year	20,306,508	779,388
Net variation of cash and cash equivalents	-19,527,119	-377,234
Cash and cash equivalents at the end of the year	**779,388**	**384,154**

These separate financial statements were approved on 24 April 2026.

Element of equity	Balance at 1 January 2024	Increases	out of which transfers	Decreases	out of which transfers	Balance at 31 December 2024
Capital subscribed and paid in (Note 14)	488,412,908	-	-	-	-	488,412,908
Legal reserves	20,389,952	238,204	238,204	-	-	20,628,156
Other reserves	53,511	-	-	-	-	53,511
Revaluation reserves	16,591,358	-	-	4,126,977	4,126,977	12,464,381
Retained earnings from realised revaluation reserves	144,139,305	4,126,977	4,126,977	-	-	148,266,282
Retained earnings	-381,903,875	-184,808,501	-184,808,501	-	-	-566,712,376
Retained earnings from the correction of accounting errors	-707,779	-	-	-	-	-707,779
Result for the year	-184,808,501	3,641,469	-	-184,808,501	-184,808,501	3,641,469
Allocation of profit	-	-238,204	-238,204	-	-	-238,204
Total	**102,166,879**	**-177,040,055**	**-180,681,524**	**-180,681,524**	**-180,681,524**	**105,808,348**

Element of equity	Balance at 1 January 2025	Increases	out of which transfers	Decreases	out of which transfers	Balance at 31 December 2025
Capital subscribed and paid in (Note 14)	488,412,908	-	-	-	-	488,412,908
Legal reserves	20,628,156	-	-	-	-	20,628,156
Other reserves	53,511	-	-	-	-	53,511
Revaluation reserves	12,464,381	-	-	2,731,390	2,731,390	9,732,991
Retained earnings from realised revaluation reserves	148,266,282	2,731,390	2,731,390	-	-	150,997,672
Retained earnings	-566,712,376	3,403,265	3,403,265	-	-	-563,309,111
Retained earnings from the correction of accounting errors	-707,779	-	-	-	-	-707,779
Result for the year	3,641,469	-78,599,268	-	3,641,469	3,641,469	-78,599,268
Allocation of profit	-238,204	-	-	-238,204	-238,204	-
Total	**105,808,348**	**-72,464,613**	**6,134,655**	**6,134,655**	**6,134,655**	**27,209,080**

These separate financial statements were approved on 24 April 2026.

1. ORGANISATION AND NATURE OF BUSINESS

The Company was initially incorporated in March 1972, ALUM S.A. being the only producer of calcined alumina in Romania.

The main business is the hydro-metallurgical processing of bauxite to obtain aluminium oxide, the raw material for obtaining aluminium (NACE code 2442).

Bayer method, which uses caustic soda to produce a solution, is used to extract the aluminum hydroxide from the processing of bauxite in order to obtain aluminum oxide, the raw material for the production of alumina. The production capacity of the refinery is of about 600,000 ton/year.

The Company's shares are admitted for trading on the alternative transactional system AeRO within Bucharest Stock Exchange. In 2025 and 2024 the price per share was as follows:

	2024	2025
- minimum price (RON/share)	2.10	1.31
- maximum price (RON/share)	3.28	3.14
- average price (RON/share)	2.69	2.23

The evolution of the average number of the Company's employees was as follows :

	2024	2025
Average number of employees	130	102

2. BASIS OF PREPARATION

Basis of preparation

These separate financial statements are the responsibility of the Company's management and are prepared in compliance with the Accounting Law 82/1991 (as republished) and with Order of Ministry of Public Finance no. 1802/2014 ("OMF no. 1802/2014"), with the subsequent amendments.

OMF no.1802/2014, as revised is harmonised with the stipulations of the following directives:

a) Directive 2013/34/EU of the European Parliament and of the Council on the annual individual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing the Directives 78/660/EEC and 83/349/EEC, published in the Official Journal of the European Union series L, no. 182 of June 29, 2013;
b) Directive 2014/95/EU of the European Parliament and of the Council of October 22, 2014 amending Directive 2013/34/EU as regards disclosure of non-financial information and diversity information by certain large undertakings and groups, published in the Official Journal of the European Union, Series L, no. 330 dated November 15, 2014 and differs from the International Financial Reporting Standards. As a result, these financial statements are not to be considered as being in accordance with the International Financial Reporting Standards.

These financial statements, prepared in accordance with OMF no. 1802/2014 as revised, are not to be used by third parties or users of the financial statements that are not familiar with OMF no. 1802/2014 as revised, applicable in Romania.

The financial statements refer only to Alum S.A.

The accounting records on the basis of which these financial statements were prepared are kept in lei ("RON") at historical cost, except for the situations in which the fair value was used, according to the accounting policies of the Company and according to OMF no. 1802/2014.

Currency of presentation

These separate financial statements are presented in RON, except for the cases in which is specified another currency.

These separate financial statements for the period ended December 31, 2025 have been prepared in accordance with the following accounting principles:

Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will be able to realize its assets and settle its liabilities in the normal course of business.

The Company and the group to which it belongs and the aluminum industry in general faced a multitude of challenges in the last years, amongst which the main obstacles comprising of the volatility in raw material prices, supply chain disruptions, increases in energy and gas costs. As energy-intensive operations, aluminum smelters and refineries faced significant increases in production costs, posing a significant hurdle for producers in maintaining competitiveness in the global market.

In response to the above, already since 2022, ALUM and the group to which it belongs developed and implemented scenarios for operating at a minimum break-even point or reducing financial losses by suspending certain production activities and switching some production equipment to stand-by. Thus, ALRO has reduced the primary aluminum production by 60% by shutting down three electrolysis pot rooms and focused on shifting more and more to high value products. ALUM has revised its manufacturing schedule according to the level of calcined alumina required for ALRO, subsequently suspending alumina production operations starting on 1st August 2022.

During 2025, as market conditions continued to remain challenging, the production remained suspended and ALUM:
- kept its CAPEX at a minimum level, but continued to perform maintenance works to ensure the equipment and installations are ready for restarting;
- continued optimizing acquisitions of materials and inventory levels.

From August 2022, the activity of ALUM consisted of purchasing alumina from the market and selling it to ALRO to meet its production requirements. Since March 2024, Alum has changed its business model of procurement of alumina to ALRO from sale for a margin to sale for a commission. The Company ALUM acts as an agent in procuring calcined alumina from the local and international market, in the appropriate quantity and quality, at a competitive price, for the Company ALRO.

During the reporting period, ALUM's management was focused on identifying new sources of development and diversification of the activity that will increase the company's revenues to overcome this challenging period.

Consequently, in February 2025, the Company Alum, contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Company Alum, with its registered office in Tulcea. The company was founded with the purpose of developing a battery energy storage facility

In 2025, the Company incurred a net loss in amount RON 78,599 thousand of which a significant part relates to the impairment for plant, plant property and equipment amounting to RON 57,391 RON and with the stocks depreciation in amount of RON 11,004 thousand compared to the profit of RON 3,641 thousand, in 2024 generated mainly by revenues obtained from the sale of CO2 emission certificates in the amount of RON 28,832 thousand.

At the end of the year 2025, the statutory net assets are below half of its share capital. In order to comply with the legislative provisions in force, the Extraordinary General Meeting of Shareholders of 15 December 2025 approved the reduction of the share capital.

In terms of liquidity, in 2025 the Company repaid its loans in accordance with the schedules contracted.

As of 31 December 2025, its current assets exceed its current liabilities by RON 44,376 thousand (2024: RON 60,949 thousand).

Notwithstanding the challenges and uncertainties, the management expects that, based on the most recent forecasts, support from its shareholder and ability to adapt its cash-flows, when necessary, the Company will succeed in generating adequate cash flows to allow it to continue its operations, and has concluded that there are no material uncertainties that may cast significant doubt on their ability to continue as a going concern.

Consistency principle

The same rules, methods, norms regarding the evaluation, registration and presentation in the accounting of the elements of patrimony are used, in order to ensure the comparability in time of the accounting information.

Prudency principle

In the preparation of these non-consolidated financial statements, all value adjustments due to the depreciation of the assets' value have been taken into consideration, also all foreseeable obligations and potential losses which appeared during the financial year concluded or during any of the previous years.

Offsetting principle

The value of the items representing assets were not offset against the values of the items representing liability, i.e., revenues against expenses. Potential offsets between receivables and liabilities to the same entity performed in compliance with the legal provisions may only be recorded after entering in the books the related revenues and expenses.

Substance over form principle

The information disclosed in the non-consolidated financial statements reflect the economic substance of the events and transactions, not only their legal form.

Materiality principle

Any item that are material are disclosed separately in the financial statements.

Matching principle

In the preparation of these non-consolidated financial statements, all revenues and expenses for the financial year were taken into account, regardless of their date of collection or payment.

Principle of valuation of asset and liability items

In order to determine the total value corresponding to a balance sheet position, the value of each individual element of asset and liability was separately determined.

3. SIGNIFICANT ACCOUNTING POLICIES

Treatment of accounting errors

Any possible errors of the current period noted in the same period are corrected before the separate financial statements are authorized to be issued. However, it is possible that certain significant errors are discovered subsequently to the period to which they refer. These errors pertaining to a prior period are retrospectively corrected and recorded in the account "Retained earnings from the correction of errors".

Translation of foreign transactions

The Company's transactions expressed in a foreign currency are recorded as at the exchange rates valid on the date of the transactions.

The earnings and losses resulted from the settlement of the transactions in a foreign currency and from the translation of the monetary assets and liabilities in a foreign currency are recognized in the income statement.

As at 31 December 2025, the official exchange rate used was 1 USD = 4.4317 RON and 1 EUR = 5.0985 RON.
As at 31 December 2024, the official exchange rate used was 1 USD = 4.7768 RON and 1 EUR = 4.9741 RON.

Property, plant and equipment

a. Cost

Property, plant and equipment are initially stated at acquisition cost, Property, plant and equipment have been revalued based on several government decisions, by adjusting the historic cost with indexes set by the respective government decisions. The increases in the book values of the property, plant and equipment resulted from the revaluations made in the past which were initially credited in the revaluation reserves or share capital, in accordance with the provisions of the respective laws.

The constructions were subsequently revalued, based on revaluations carried out by qualified professionals. The revaluation difference is reflected in the revaluation reserve. The last revaluation of the constructions for financial reporting purposes was performed as at December 31, 2020 by an independent appraiser, a member of ANEVAR. The revaluation aimed to adjust the net book values of the elements included in this category to their fair value considering their physical state and market value. The revaluations of the constructions are done with sufficient regularity, so that the book value does not differ substantially from the one that would be determined using the fair value from the balance sheet date.

At 31 December 2025, based on the market evolution, the Company concluded that a new revaluation at the current balance sheet date is not required.

The maintenance and repairs to the fixed assets are charged to expenses as incurred.
Non-current assets in the form of inventory items, such as small tools, are charged to expenses when put into operation and are not included in the book value of the tangible assets.

The tangible assets that are scrapped are written off the balance sheet together with the corresponding accumulated depreciation. Any profit or loss resulted from such an operation is included in the current profit and loss account. Significant upgradings are capitalized when they meet the defining criteria of the assets. The earnings and losses from the disposal of fixed assets are determined based on their book value and are included in the operating profit determination.

Temporarily idle property, plant and equipment are assessed for impairment individually. For assets put in conservation for an undefined period in accordance with the Board of Directors decision, the Company recognizes an impairment loss equal to their carrying value as at the date of the transfer. Subsequently, these assets are reviewed for possible reversal of impairment, depending on the Company's plans to operate them in the future.

b. Depreciation

Depreciation is calculated at revalued cost on a straight-line basis, for all categories of fixed assets, Depreciation is calculated throughout the estimated useful life of the assets, as follows:

	Years
Buildings and special constructions	2 - 52
Technical installations and machinery	1 - 25
Equipment and vehicles	1 - 25

Land is not depreciated as it is assumed that it has an indefinite useful life.
The earnings and losses generated by the disposal of land and fixed assets are determined by comparison to their book value and are included in the determination of the operating profit.

Impairment of property, plant and equipment

The Company must make sure that its assets are not recorded at a value that exceeds their recoverable amount, an asset is recorded at a value higher than its recoverable amount, if its book value exceeds the amount recoverable from the use or disposal of the asset.

The fixed assets held and used by an entity should be analyzed from the point of view of diminishing the value of such an asset whenever events occur that indicate the possibility of not recovering the book value of an asset from the future cash flows, In cases where the estimated future cash flows are insufficient to cover the book value of the asset, there needs to be applied an adjustment to reflect the impairment of the fixed assets.

Intangible assets

Development expenses

Development expenses are capitalized and amortized on a straight-line basis for a period from 3 to 5 years.

Licenses and software

Usually, the costs associated with the development and maintaining the computer software are charged to expenses as incurred. Direct costs associated with computer software whose future economic benefits are probable and for a period of more than one year are recognized as intangible assets.

The expense with the purchased computer software is capitalized and amortized on a straight-line basis throughout their useful life, without exceeding a period of 5 years, Intangible assets are not revalued.

The book value of each intangible asset is verified annually and adjusted from the point of view of the permanent impairment, where necessary.

Inventories

Inventories are recorded at the lower of evaluated cost and net realizable value, determined based on the FIFO (“first in, first out”) method. The cost of the finished and semi finished products includes raw materials, direct salary expenses, other direct expenses and production overheads (based on the normal production capacity), but excludes the general administrative expenses, marketing expenses and financial expenses. Net realizable value is determined based on the sale price under normal conditions. Adjustments are recorded for the impairment of slowly moving, deteriorated and obsolete inventories.

Trade receivables

Trade receivables are recorded at anticipated net realizable value. For doubtful receivables, an estimated adjustment is made based on an analysis of all amounts outstanding at year end. Non- recoverable receivables are charged against income in the year when they are identified.

Other receivables

Receivables are recorded at a value estimated to be recovered.

Cash and cash equivalents

Cash and cash equivalents are disclosed in the non-consolidated balance sheet at cost. For the non-consolidated cash flow statement, cash and cash equivalents include petty cash, current accounts, demand deposits with banks and letters of credit.

Payables

Payables are recorded at nominal value.

Provisions

Provisions are recognized as at the time when the Company has a legal or constructive obligation resulted from past events, when an outflow of resources embodying economic benefits is necessary to settle the obligation and when a reliable estimate can be made with regard to the value of the obligation.

Provision for decommissioning

Decommissioning costs include the dismantling and demolition of infrastructure and the removal of residual materials and remediation of disturbed areas. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognized as part of the cost of the particular asset. The cash flows are discounted at a current pre-tax rate that reflects the risks specific of the decommissioning liability. The unwinding of the discount is expensed as incurred and recognized in the statement of profit or loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Contributions for employees

The Company pays contributions to the State Budget as the mandatory work insurance contribution and the employees pay contributions to the State Budget for social insurance and health insurance according to the levels established by the law and in effect during the year, calculated on the basis of the gross salaries. The value of these contributions is recorded in the income statement in the same period as the related salary expenses.

Retirement and other post-retirement benefits

In the normal course of its business, the Company makes payments to several institutions of the Romanian state on account of the pensions of its employees. All the Company employees are members of the pensions plan of the Romanian State.

Upon retirement, the Company offers its employees, according to the collective employment contract, a bonus ranging between 2 - 6 salaries, plus permanent bonuses for the last worked month, according to the length of service in the Company. For these amounts, the Company records in the financial statements a provision revised annually by an actuarial calculation expert.

Borrowings

Short and long term borrowings are presented at the outstanding value as at the date of the non-consolidated balance sheet date. The current part of the long term loans and the accumulated interest as at the balance sheet date are classified as “Payables within one year”. The costs related to obtaining the loans are recorded as expenses in advance and amortized over the loan period when they are significant.

Financial leases

Financial lease is the lease obligation that transfers, to a large extent, all the risks and benefits related to the ownership over the asset. The title can be eventually transferred or not.
Financial lease operations are recorded at the fair values of the leased item or by the discounted value of the minimum lease payments, if the latter is lower. To calculate the discounted value of the minimum lease payments, the discount is considered the effective interest rate of the lease agreement.

Grants

Grants for assets, including non-monetary grants at fair value, are recorded in accounting as investment grants and are recognized in the balance sheet as deferred income. The deferred income is recorded in the profit and loss account as the expenses with the depreciation are recorded or at the scrapping or disposal of the assets.

Grants related to income include all grants, other than those for assets. Grants are recognized, on a systematic basis, during the period in which the expenses corresponding to these grants were recognized.

Share capital

The share capital composed of ordinary shares is recorded at the value established on the basis of the deeds of incorporation and addenda, as the case may be, as well as the supporting documents regarding the capital payments.

The repurchased own shares, according to the law, are presented in the balance sheet as a correction of the equity. Gains or losses related to the issuance, redemption, sale, disposal for free or cancellation of the equity instruments of the entity (shares) are recognized directly in the equity in the lines of "Gains / or Losses related to equity instruments".

Retained earnings

The legal reserve is created in accordance with the provisions of the Companies Law, according to which 5% of the annual accounting profit before tax is transferred to legal reserves until their balance reaches 20% of the Company's share capital.

The accounting profit left after the distribution of the realized legal reserve share, within the limit of 20% of the share capital is taken in the retained earnings at the beginning of the financial year following the one for which the annual financial statements are drawn up, from where it will be distributed to the other legal destinations.

The bookkeeping of the destinations of the accounting profit is made in the following year after the general meeting of the shareholders or associates who approved the distribution of the profit, by recording the amounts representing dividends due to the shareholders or associates, reserves and other destinations, according to the law. The records made regarding the distribution of the profit cannot be reversed.

The increases in the retained earnings representing the surplus realized from revaluation reserves were constituted by the transfer from the revaluation reserve of the amounts corresponding to the revalued assets as they were used by the company. The surplus realized from the revaluation reserves thus created is distributable, while the revaluation reserve is not distributable. The Company does not intend to distribute the surplus realized from revaluation reserves in the balance on December 31, 2025.

In the situation in which the surplus realized from revaluation reserves is distributed, from a fiscal point of view it will be taxed in so far as, according to the tax legislation applicable at the time of the revaluation, the expenses with the depreciation related to the revalued fixed assets were considered deductible expenses in the calculation of the profit tax and the surplus realized from the revaluation reserves, respectively, has not already been assimilated to the income for the calculation of the profit tax.

Income

The income from sales is recorded upon the delivery of the products and, when applicable, upon their receipt by the client, or upon the provision of services. Recording is made net of VAT, and any potential sale fees or commercial discounts.

The Company uses CO2 certificates. The certificates are recognized in the financial statements based on the net exposure/emission method. According to this method, it is recognized as a liability the value of the certificates for the emission that exceeds the equivalent of the certificates granted according to GD 780/2006 issued by the National Environment Authority.

The Company estimates the annual amount of emissions as at each balance sheet date and recognizes the supplementary liability at the market value of the additional certificates that need to be purchased or at the level of the penalties that need to be paid according to the laws in force.

The additional liability is recognized in the income statement based on the unit of production method. If the Company estimates the use of a lower number of certificates than the allocated level, the income resulted from the sale of the supplementary certificates is recognized only at the time of the actual sale.

Income tax

Income tax is calculated based on the result of the year corrected for various elements that are neither taxable nor deductible. It is calculated using the income tax rate in effect as at the balance sheet date.

Effective 1 January 2024, a new Law No. 296/2023 was enacted requiring that entities with a turnover exceeding EUR 50 million in the previous year, and with a calculated profit tax lower than 1% of their turnover, must pay an income tax equal to this higher 1% of calculated turnover based on a provided formula (minimum turnover tax). In 2024, the Company calculated this minimum turnover tax according to the law and it exceeded the profit tax. Consequently, the Company recognized a current income tax payable, at the level of the minimum turnover tax, of RON 1,123 thousand in the Separate Statements of profit or loss. For 2025, the condition that the turnover from the previous year to be greater than EUR 50 million was no longer met, so IMCA was no longer recognized and registered.

Financial instruments

The financial instruments recorded in the non-consolidated financial statements include cash and cash equivalents, receivables and trade receivables, other assets and long term liabilities. The particular methods of recognition adopted are presented in the individual accounting policies associated to each element.

4. NON-CURRENT ASSETS

COST

	Balance at 1 January 2025	Increases	Decreases	Balance at 31 December 2025
Land, landscaping and buildings	95,806,794	57,865	1,498,081	94,366,578
Installations and machinery	426,271,340	-	623,907	425,647,433
Measurement, control, adjustment installations and devices	21,220,397	-	728,034	20,492,363
Vehicles	20,069,911	-	2,757,253	17,312,658
Other installations, equipments	1,166,979	2,605	-	1,169,584
Advances and tangibles in progress	15,357,910	129,764	-	15,487,674
TOTAL	**579,893,331**	**190,234**	**5,607,274**	**574,476,291**

ACCUMULATED DEPRECIATION

	Balance at 1 January 2025	Depreciation recorded during the year	Depreciation of scrapped fixed assets	Balance at 31 December 2025
Land, landscaping and buildings	33,881,321	286,545	7,919	34,159,948
Installations and machinery	368,741,702	2,988,964	622,010	371,108,656
Measurement, control, adjustment installations and devices	15,691,335	320,255	728,034	15,283,556
Vehicles	17,742,635	58,929	1,764,384	16,037,179
Other installations, equipments	683,854	37,701	-	721,554
TOTAL	**436,740,847**	**3,692,393**	**3,122,347**	**437,310,893**

ADJUSTMENT FOR IMPAIRMENT

	Balance at 1 January 2025	Increases	Decreases	Balance at 31 December 2025
Land, landscaping and buildings	23,876,715	30,512,406	23,221	54,365,900
Installations and machinery	44,647,364	13,083,314	994,766	56,735,913
Other installations, equipments	318,146	98,930	-	417,076
Advances and tangibles in progress	1,791,499	13,696,175	-	15,487,674
TOTAL	**70,633,724**	**57,390,826**	**1,017,987**	**127,006,563**

NET VALUE	**72,518,760**			**10,158,834**

Tangible assets in progress include improvements made to the existent fixed assets and new investments in equipment that have not been put in operation yet.

As of 31 December 2025 the tangible assets acquired through finance leasing are fully depreciated (net book value at 31 December 2024: RON 5,144).

The gross book value of the fully depreciated fixed assets as of 31 December 2025 is in amount of RON 181,764,649 (2023: RON 183,349,973).

The gross book value of the fixed assets scrapped in 2025 is in amount of RON 1,637,176 (2024: RON 13,062,183).

The net book value of the idle assets as a result of temporary suspension of the calcined alumina production activity as of 31 December 2025 is in amount of RON 2,644 thousand (2023: RON 10,935 thousand).

As of 31 December 2025 and 31 December 2024, The Company has no movable and immovable guarantees established in favor of creditors.

Impairment tests for property, plant and equipment

The Company performs its annual impairment test in the end of the financial year and when circumstances indicate that the carrying value may be impaired. As a result of the several factors, such as increasing prices and scarce availability of energy products and other raw materials with a negative impact on the production costs, which caused the Company to take a decision in 2022 to temporary suspend the alumina production operations, a test of the property, plant and equipment of the company was carried out as at 31 December 2025 and 31 December 2024.

As a result of the impairment review carried out by Alum, it was determined that the recoverable value of property, plant and equipment was lower than its carrying amount and, consequently, an impairment loss of RON 51,300 thousand was recognized as at 31 December 2025 (31 December 2024: no impairment was recognized). The impairment test was based on a valuation report made by an independent appraiser.

The recoverable value of the cash generating unit (CGU) Alum was determined based on a fair value less costs to sell approach, using a discounted cash flow model derived from the business plan estimated by the management for the period 2026–2030. The business plan assumes the continuation of Alum's agency activity for Alro during 2026–2027, consisting of purchasing alumina from the market and supplying it to Alro, while carrying out the necessary preparation works for the restart of production. Beginning in 2028, the plan envisages the resumption of alumina production and the sale of alumina and alumina-based products on the market. The terminal value was determined using a long-term growth rate of 2% consistent with management's expectations regarding the stabilization of market conditions and the sustainable operation of the refinery beyond the explicit forecast period. The key assumptions applied in the model include forecasted alumina prices, production volumes, operating costs, capital expenditures required for restart, and a discount rate reflecting the risks specific to the cash generating unit (CGU) Alum.

The key assumptions for the cash-generating unit Alum are:

	2025	2024
Discount rate	15.00%	13.30%
EBITDA margin, terminal value	7.17%	8.05%

The following table shows the amount up to which the key assumptions used would need to change individually for the estimated recoverable amount to be equal to the carrying amount:

	2025	2024
Discount rate	12.05%	15.40%
EBITDA margin, terminal value	8.60%	7.20%

5. INTANGIBLE ASSETS

COST

	Balance at 1 January 2025	Increases	Decreases	Balance at 31 December 2025
Development expenses	5,034,412	-	-	5,034,412
Other fixed assets	589,437	10,062	-	599,499
TOTAL	**5,623,849**	**10,062**	**-**	**5,633,911**

ACCUMULATED DEPRECIATION

	Balance at 1 January 2025	Increases	Decreases	Balance at 31 December 2025
Development expenses	5,034,412	-	-	5,034,412
Other fixed assets	588,651	10,849	-	599,499
TOTAL	**5,623,063**	**10,849**	**-**	**5,633,911**
NET VALUE	**787**			**-**

The development expenses include projects and solution and efficiency studies related to the study of the process of silica removal and technological sizing per variants, increasing the capacity of the static kiln and technical and technological rehabilitation amortized over a period of 5 years.

6. FINANCIAL ASSETS

In February 2025, the Company contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. (“SET”), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum, with its registered office in Tulcea. The company was founded with the purpose of developing a battery energy storage facility.

7. INVENTORIES

Inventories are presented in the balance sheet after deducting the impairment adjustments.

	31 December 2024	31 December 2025
Raw materials, materials and goods	48,202,994	47,261,024
Work in progress	46,958,951	46,958,951
Materials in the form of inventory items	616,187	623,781
Semi-finished products and finished goods	7,160,688	4,489,626
Packaging	160,872	125,276
Adjustments for the impairment of inventories	-3,023,261	-14,027,142
Advances for inventories	265,938	287,810
Total	**100,342,369**	**85,719,326**

As of 31 December 2025, the Company has no movable and immovable guarantees established in favor of creditors.
The movement in the provision for inventory is as follows:

	Balance at 1 January 2025	Increases	Decreases	Balance at 31 December 2025
Value adjustments for depreciation of raw materials	-	9,539,984	-	9,539,984
Value adjustments for depreciation of work in progress	3,023,261	920,112	-	3,943,373
Value adjustments for depreciation of finished goods	-	243,215	-	243,215
Value adjustments for depreciation of semi-finished goods	-	300,570	-	300,570
TOTAL	**3,023,261**	**11,003,881**	**-**	**14,027,142**

8. RECEIVABLES

Receivables	Balance at 31 December 2025	Due within 1 year	Due over 1 year
Domestic clients	8,249,512	8,249,512	-
Foreign clients	76,796	76,796	-
Adjustment for the impairment of doubtful receivables	-3,629,211	-3,629,211	-
Trade receivables	**4,697,096**	**4,697,096**	**-**
Non-chargeable VAT	26,740	26,740	-
VAT to recover	52,540	52,540	
Advances to personnel	33,227	33,227	-
Other receivables	2,975,863	2,975,863	-
Sundry debtors	9,265	9,265	-
Adjustments for the impairment of other receivables	-120,684	-120,684	-
Other receivables	**2,976,951**	**2,976,951**	**-**
Total	**7,674,047**	**7,674,047**	**-**

Receivables	Balance at 31 December 2024	Due within 1 year	Due over 1 year
Domestic clients	8,292,825	8,292,825	-
Foreign clients	87,008	87,008	-
Adjustment for the impairment of doubtful receivables	-3,467,417	-3,467,417	-
Trade receivables	**4,912,416**	**4,912,416**	**-**
Non-chargeable VAT	25,886	25,886	-
VAT to recover	909,727	909,727	
Advances to personnel	14,438	14,438	-
Other receivables	2,730,077	2,730,077	-
Sundry debtors	9,265	9,265	-
Adjustments for the impairment of other receivables	-120,684	-120,684	-
Other receivables	**3,568,708**	**3,568,708**	**-**
Total	**8,481,124**	**8,481,124**	**-**

As of 31 December 2025 and 31 December 2024, the Company has no movable and immovable guarantees established in favor of creditors.

The Company was selling in 2024 a part of trade receivables under the existing factoring agreement obtained from the bank. The non-recourse factoring agreement expired in November 2025 and was not extended.

The movement in allowance for trade receivables is as follows:

	2024	2025
Balance at beginning of the year	3,460,273	3,467,417
Charge during the year	7,144	206,220
Release during the year	-	44,426
Balance at end of the year	**3,467,417**	**3,629,211**

Company's receivables from affiliates are presented in Note 11.

9. PETTY CASH AND BANK ACCOUNTS

	31 December 2024	31 December 2025
Bank accounts	775,831	381,846
Petty cash	3,558	2,309
Total	**779,388**	**384,155**

At 31 December 2025 and 31 December 2024, cash was held in current accounts opened with reputable private banks in Romania or with State owned banks.
Cash at banks earns interest at floating rates based on daily banks deposit rates. Short-term deposits are made for varying periods between one day and one month, depending on the immediate cash requirements of the Company.

10. PAYABLES

	Balance at 31 December 2025	Due	
		within 1 year	over 1 year
Trade payables and similar accounts	4,374,290	4,374,290	-
Payables to clients	42,504,565	42,504,565	-
VAT payable	1,004,890	1,004,890	-
Guarantees received from suppliers	172,444	165,956	6,488
Dividends payable	4,534	4,534	-
Sundry creditors	2,935	2,935	-
Other payables	1,163,049	1,163,049	-
Total	**49,226,707**	**49,220,219**	**6,488**

	Balance at 31 December 2024	Due	
		within 1 year	over 1 year
Trade payables and similar accounts	3,147,295	3,147,295	-
Payables to clients	42,500,071	42,500,071	-
VAT payable	15,982	15,982	-
Guarantees received from suppliers	580,427	549,986	30,441
Dividends payable	4,534	4,534	-
Sundry creditors	1	1	-
Other payables	2,070,479	2,070,479	-
Minimum turnover tax	231,546	231,546	
Total	**48,550,336**	**48,519,894**	**30,441**

Company's payables from affiliates are presented in Note 11.

11. TRANSACTIONS WITH AFFILIATES

Affiliates are entities with direct or indirect common shareholders, directors or managers. A significant part of the Company transactions is conducted with related parties. The nature of the relations with the affiliates with which the Company conducted significant transactions or which have significant balances not settled as at the balance sheet date are detailed below.
The relations were established in the normal course of the Company's activity.

Affiliate	Affiliate type	Transaction type
Alro S.A.	Shareholder	Sales/purchases of goods/services
Vimetco Management Romania	Common shareholder	Purchases of goods and services
Vimetco Power Romania	Common shareholder	Sales of services
Centrul Rivergate	Common shareholder	Sales/purchases of goods/services
Rivergate Fire	Common shareholder	Sales/purchases of goods/services
Stocare Energie Tulcea	Associate	Sales/purchases of goods/services

The transactions and balances with affiliates are detailed below:

(i) Sales

	31 December 2024	31 December 2025
ALRO Slatina	61,339,656	21,123,107
CENTRUL RIVERGATE	38,606	39,154
RIVERGATE FIRE	-	30,527
STOCARE ENERGIE TULCEA	-	5,280
Total	**61,378,262**	**21,198,068**

(ii) Purchases

	31 December 2024	31 December 2025
ALRO Slatina	3,740,603	3,417,616
CENTRUL RIVERGATE	5,782,444	6,091,614
VIMETCO MANAGEMENT ROMANIA	77,210	21,004
RIVERGATE FIRE	4,004,682	3,749,135
Total	**13,604,939**	**13,279,368**

(iii) Receivables

	31 December 2024	31 December 2025
CENTRUL RIVERGATE	3,216	3,988
VIMETCO POWER	3,153,001	3,153,001
ALRO Slatina	4,337,993	4,439,539
RIVERGATE FIRE	-	13,675
STOCARE ENERGIE TULCEA	-	6,331
Total	**7,494,209**	**7,616,534**

(iv) Payables

	31 December 2024	31 December 2025
ALRO Slatina	43,118,043	45,032,661
CENTRUL RIVERGATE	1,153,081	607,214
RIVERGATE FIRE	361,446	372,581
VIMETCO MANAGEMENT ROMANIA	3,102	3,165
Total	**44,635,672**	**46,015,622**

The remuneration of directors and other members of key management during 2025 was in amount of RON 2,132,605 (2024: RON 1,873,120).

12. PROVISIONS

	Balance at 1 January 2025	Increases	Decreases	Balance at 31 December 2025
Provisions for pensions and similar obligations	1,412,503	154,174	15,870	1,550,807
Provisions for rehabilitation	23,155,893	1,398,616	1,450,684	23,103,825
Total	**24,568,396**	**1,385,759**	**1,466,554**	**24,654,632**

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation provision was carried out at December 31, 2025 by an independent specialist. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

The provision for land rehabilitation was set in relation to the premises where the Company deposit residue from production, in the form of the red mud lake. According to the environment regulations, the red mud lake must be rehabilitated before a certain date specified by specific authorizations, when it will be either it may be closed down or extended. The provisions are based on the estimation of expenses necessary to perform the rehabilitation works at the time when they are expected to be incurred, discounted to their present value at 31 December 2025 and are related to the red mud lake rehabilitation in amount of RON 23,104 thousand (31 December 2024: RON 23,156 thousand). The Company estimates that the costs would be incurred in 5 - 36 years' time and calculates the provisions using the DCF method based on the following assumptions: estimated range of cost: RON 64 per square meter and discount rates of 6.47% (2024: 6.04%). Furthermore, the timing of rehabilitation is likely to depend on when the site ceases to store at economically viable rates.

The increase in the provision for rehabilitation reflects the expense with the related interest, and the reduction represents the updating of the value of the obligation, recorded in correspondence with the fixed asset to which it refers.

13. GRANTS

	2024	2025
Balance at 1 January	**3,819,365**	**3,440,585**
Increases during the year	-	-
Revenues recognized in income statement	378,780	378,780
Balance at 31 December	**3,440,585**	**3,061,805**
Out of which:		
Short term	378,780	378,780
Long term	3,061,805	2,683,025

Under financing contract signed on September 8, 2016, Alum SA launched a project (SMIS 2014+) co-financed under the European Regional Development through Operational Program of Competitiveness 2014-2020 "Investing in Sustainable Development". The equipments purchased in 2018 as part of these investment projects were put into operation in 2019 and the subsidies received are recognized as income on a straight line basis during the useful life of the equipments.

As of 31 December 2025 and 31 December 2024 there are no contingent liabilities attached to these grants.

14. SHARE CAPITAL

As of 31 December 2025, the share capital subscribed and paid is in amount of RON 488,412,908 representing 82,086,203 shares having a nominal value of RON 5.95 per share.

	2024		
	Number of shares	**Nominal value**	**%**
ALRO S.A.	81,595,860	485,495,367	99.4026
Individuals	469,908	2,795,953	0.5725
Legal entities	20,435	121,588	0.0249
Total	**82,086,203**	**488,412,908**	**100**

	2025		
	Number of shares	**Nominal value**	**%**
ALRO S.A.	81,595,860	485,495,367	99.4026
Individuals	469,158	2,791,490	0.5716
Legal entities	21,185	126,051	0.0258
Total	**82,086,203**	**488,412,908**	**100**

15. RESERVES

	31 December 2024	31 December 2025
Legal reserve	20,628,155	20,628,155
Other reserves	12,517,893	9,786,503
Total	**33,146,048**	**30,414,658**

The legal reserve is made up to 20% of the issued and paid shared capital of the Company, according to the regulations in force, it is not distributable and its utilization is strictly regulated by the laws. Other reserves include mainly amounts that were generated by revaluation of fixed assets.

16. ALLOCATION OF PROFIT

The Company recorded a loss of RON 78,599,268 for the year ended 31 December 2025 (RON 3,641,469 profit for the year ended 31 December 2024).

The result recorded for the year ended 31 December 2024 has been carried forward according to the legislation during 2025.

17. TURNOVER

	Year ended 31 December 2024	Year ended 31 December 2025
Revenues from sales of alumina	55,608,191	1,454,234
Revenues from sales of hydrate	8,017,220	2,735,768
Revenues from sales of scrap iron and waste	1,073,855	21,059,593
Revenues from agent contract	10,517,067	657,344
Revenues from sales of utilities	1,375,366	1,046,196
Revenues from sundry activities	5,117,435	2,532,203
Total	**81,709,134**	**29,485,338**

In 2024 and 2025, revenues from sales were influenced by the temporary suspension of the alumina production starting August 2022. The revenues are lower in 2025 compared to 2024, because as starting March 2024 Alum became Alro's purchasing agent for alumina and has been selling alumina for commission to Alro and no longer bought alumina from the market and selling it to Alro at a margin.

The following table shows the distribution of the Company's sales by geographical market.

	Year ended 31 December 2024	Year ended 31 December 2025
Romania	68,684,809	25,778,062
European Union	2,542,221	-
Non-EU European countries	7,677,999	3,707,276
Other countries	2,804,106	-
Total	**81,709,134**	**29,485,338**

18. OTHER EXPENSES WITH MATERIALS

	Year ended 31 December 2024	Year ended 31 December 2025
Packaging materials expenses	371,000	77,993
Work protection materials	39,648	25,860
Inventory items expenses	1,265	3,451
Total	**411,914**	**107,304**

19. PERSONNEL RELATED EXPENSES

	Year ended 31 December 2024	Year ended 31 December 2025
Salaries expenses	15,638,466	11,695,844
Other personnel expenses	966,849	652,893
Social security expenses	601,938	398,560
Total	**17,207,253**	**12,747,297**

Salaries expenses categories of personnel in 2024 were:

	No. of employees	Salaries
Management	10	2,570,634
Administrative staff	50	6,610,663
Workers	70	6,457,169
Total	**130**	**15,638,466**

Salaries expenses categories of personnel in 2025 were:

	No. of employees	Salaries
Management	8	2,762,393
Administrative staff	42	4,579,484
Workers	52	4,353,967
Total	**102**	**11,695,844**

20. EXTERNAL SERVICES

	Year ended 31 December 2024	Year ended 31 December 2025
Third party repairs	426,573	284,991
Insurance	603,555	288,971
Transport	477,713	146,150
Audit	311,665	431,681
Security services	5,778,696	6,066,960
Other services	5,597,533	5,158,307
Total	**13,195,735**	**12,377,059**

21. INCOME TAX

The Company records net income tax in accordance with the financial statements, in compliance with the laws in force regarding the income tax.

The reconciliation between the result of the year and the fiscal result for the year is presented below:

	Year ended 31 December 2024	Year ended 31 December 2025
Total income	102,032,611	28,496,708
Total expenses	-97,268,533	-107,095,976
Gross result	**4,764,078**	**-78,599,269**
Non-taxable income deductions	-4,452,748	-
Non-taxable income	-6,327,918	-1,111,961
Non-deductible expenses	4,699,032	72,563,929
Loss previous years	-262,452,055	-263,769,612
Fiscal profit/(loss)	**-263,769,612**	**-270,916,912**

Effective 1 January 2024, a new Law No. 296/2023 was enacted requiring that entities with a turnover exceeding EUR 50 million in the previous year, and with a calculated profit tax lower than 1% of their turnover, must pay an income tax equal to this higher 1% of calculated turnover based on a provided formula (minimum turnover tax). In 2024, the Company calculated this minimum turnover tax according to the law and it exceeded the profit tax. Consequently, the Company recognized a current income tax payable, at the level of the minimum turnover tax, of RON 1,123 thousand in the Separate Statements of profit or loss. For 2025, the condition that the turnover from the previous year to be greater than EUR 50 million was no longer met, so IMCA was no longer recognized and registered.

According to the Romanian Fiscal Code, which transposes the EU Directive no. 2016/1164, issued in 2016, the exceeding borrowing costs including interest, expenses for obtaining finance and leasing, capitalized interest and foreign exchange losses above a threshold of EUR 1,000,000 per annum are deductible only up to the level of 30% of calculated fiscal EBITDA.

The Company incurred borrowing costs related to loans obtained from banks for capital expenditure and development purposes. As these loans are expressed in foreign currency, due to the devaluation of RON against major currencies, these resulted in significant foreign exchange losses, which have limited deductibility for income tax purposes. The balance of RON 4,214 thousand of unused borrowing costs from previous years was fully used as a tax-deductible expense in 2024.

22. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the net profit distributable to the shareholders by the weighted average number of ordinary shares in circulation during the year, less the shares redeemed by the Company during the year. There were no ordinary potentially diluted shares during the year.

	2024	2025
Net result for the year	3,641,469	-78,599,268
Number of shares	82,086,203	82,086,203
Earnings per share, basic – RON	0.04	-0.96
Average market price per share	2.69	2.23

23. COMMITMENTS AND CONTINGENT LIABILITIES

The Company has various contracts concluded as of 31 December 2025 for the acquisition in 2026 of utilities and services in the amount of RON 12,092 thousand (31 December 2024: utilities and services in the amount of RON 13,261 thousand).

Project financed through Operational Program for Competitivity

Under financing contract signed on September 8, 2016, Alum SA launched a project (SMIS 2014+) co-financed under the European Regional Development through Operational Program of Competitiveness 2014-2020 " Investing in Sustainable Development ". The only achievement indicator to be pursued by the end of the project, i.e., the number of staff in the R & D department that needed to be increased by 16 people by March 8, 2019, was achieved. At the end of the project there must be achieved also the result indicators, i.e. turnover (RON 605.225 thousand) and market share (1,26%).

In 2024, the Monitoring Body has submitted the final report to the Ministry of European Funds, accepting the achievement of the indicators under the conditions of the last period’s pandemic and energy crises.

Litigations

As at 31 December 2025, the Company was subject to a number of disputes in court resulted from the normal course of its business.

On 20.09.2019 we filed appeal at Tulcea Court against the Decision no. 64411/21.08.2019 issued by Ministry of European Funds - DGPEC, by which we asked for its cancellation as well as the financial corrections established in the Alum task in the amount of RON 631,300.

By Decision no. 1252/21.12.2020, the Court admitted Alum's request and ordered the annulment of Decisions and the Notes on irregularities and establishing financial corrections issued by the same defendant. An appeal was filed by the Ministry of European Funds - DGPEC, an action registered at the Constanta Court of Appeal in July 2021.The file was transferred starting from 01.01.2022 to the fiscal administrative litigation section. The court decided to suspend the trial due to the suspicion of the use of a false document in the process by the opposing party, further notifying the competent prosecutor's office to investigate these aspects. The judgement of the trial will be resumed later depending on what the prosecutor's office will order following the investigations it will carry out.

Following the fiscal inspection carried out by ANAF, DGFP Galați, through AJFP Constanța, having as objectives: the verification of the value added tax in the period 01.12.2014-31.12.2018 and the verification of the profit tax in the period 01.01.2014-31.12.2018, according to the approval of fiscal inspection no. F-CT 782/ 15.11.2019 and completed on 27.05.2021, an additional profit tax of 19,643,114 lei and VAT in the amount of 31,587 lei has been established. The amount of 19,674,701 lei was paid by Alum within the communicated legal term. The company filed appeal against the tax decision, and will use all the means provided by law to cancel it and recover the amounts paid according to the decision. Alum considers the tax decision to be unfounded and illegal. Subsequently, the Company filed a tax appeal to the National Agency for Fiscal Administration against the Fiscal Inspection Report. The appeal was rejected by the National Agency for Fiscal Administration. The Company continued to defend its position in Court and in 2022 it was performed a fiscal expertise in the specialty of accounting/taxation by an independent expert appointed by the Court. In November 2023 the Court ordered the restitution to Alum of an amount of about RON 18,213 thousand out of the total of about RON 19,675 thousand that was the subject of the tax act. The National Agency for Fiscal Administration filed the appeal against this decision and the file was submitted to the High Court of Cassation and Justice. In 2025, the case was sent back to the previous court for retrial. The next term was set for 23 April 2026.

The management considers that based on the lawyers opinion these actions will not have a significant effect on the non-consolidated economic results and non-consolidated financial position of the Company.

As at 31 December 2025, the Company had in the balance sheet the amount of RON 395,172 for doubtful or litigating receivables (other than affiliates), amount for which an impairment adjustment has been recorded (Note 8). In February 2026, the amount of RON 3,227,243 was added (of which RON 3,153,001 from an affiliated entity, see Note 11).

Taxation

The taxation system in Romania is undergoing continuous developments. Tax legislation is subject to various interpretations and constant changes, some of which may sometimes be retroactive. In some circumstances, tax authorities may treat some aspects in a different way by calculating additional taxes, interest and penalties, which can be significant.

In Romania, according to the Fiscal Procedure Code the period for which the fiscal year remains open for fiscal verification is 5 years (term that begins on July of the year following the year for which the fiscal obligation is due). For fiscal obligations before 25 December 2020, according to Government's derogatory regulations, following the Covid-19 pandemic, the fiscal year open for tax audit was changed to a period of 5 years and 253 days. The management considers that the tax liabilities included in these financial statements are adequate.

In accordance with the provisions issued by the Ministry of Public Finance, which regulate the tax regime of the elements of equity that have not been subject to income tax as at the date of recording in the accounts, considering their nature, should the Company change the destination of the revaluation reserves in the future (to cover losses or to distribute to the shareholders), this will lead to supplementary income tax liabilities.

Until 31 December 2023 the tax losses in Romania could have been carried forward and used against future taxable profits for a period of maximum 7 years. Starting 1 January 2024, the utilization of fiscal losses carried forward from prior years, for the purpose of calculating the current fiscal year's result, is limited to a period of 5 years and only up to 70% of the taxable profits generated in the period. However, losses carried forward prior to 2024 are eligible for utilization at the same 70% rate against taxable profits, spread over a 7-year period.

Alum, being part of Vimetco Group, a multinational enterprize group is within the scope of the OECD Pillar Two model legislation, which was enacted in Romania, the jurisdiction in which Alro and subsidiaries are incorporated. Law no. 431/2023, published on 5 January 2024, transposes the provisions of Directive (EU) 2022/2523 to introduce into the Romanian legislation a complex system of rules for an effective minimum taxation of 15% for multinational enterprise groups and large-scale domestic groups with annual consolidated revenues of at least EUR 750 million in at least two of the four previous financial exercises.
The law applies in respect of financial years beginning on or after 31 December 2023, except for the UTPR, which applies in respect of financial years beginning on or after 31 December 2024.

Under the legislation, the group is liable to pay a top-up tax for the difference between their GloBE effective tax rate per jurisdiction and the 15% minimum rate. In applying this law, the provisions of the Global Anti-Base Erosion (GloBE) Model Rules (Pillar Two), as issued by the OECD, must be considered, including the Administrative Guidance on GloBE Rules and the Safe Harbour and Penalty Relief Rules. These documents, along with any future OECD amendments or guidance, serve as key references for interpretation.

At 31 December 2025, the Company was subject to fiscal audit from the National Agency for Fiscal Administration related to income tax and VAT transactions, regarding the period 2019 - 2021. At the date when these separated financial statements were approved, the fiscal inspection was not finalized. The Company's management cannot estimate a potential impact from this fiscal audit.

Transfer price

The fiscal legislation in Romania includes rules regarding the transfer prices between affiliates since the year 2000. The current legislative framework defines the “arm’s length” principle for related-party transactions, as well as the methods of establishing transfer prices. As a result, it is expected that the tax authorities initiate thorough verifications of transfer prices in order to make sure that the fiscal result and/or the customs value of the imported goods is not distorted by the effect of the prices used in the relations with related parties.

The Company cannot quantify the result of such verifications, but the management considers that the related party transactions are in agreement with the fiscal legislation in Romania with regard to the transfer price and the necessary documentation regarding the transfer prices is available and can be presented to the authorities in case of a tax audit.

Environment

In preparing the Separate Financial Statements, management has considered the impact of climate change, particularly in the context of the disclosures included in the Sustainability Report.
These considerations did not have a material impact on the financial reporting judgements and estimates, consistent with the assessment that climate change is not expected to have a significant impact on the Company’s going concern assessment as of 31 December 2025, nor the viability of the Company over the next five years.

24. RISK MANAGEMENT

Currency risk

Currency risk is the risk that the value of a financial instrument should fluctuate because of the variations in the FX rate.

The Company is exposed to the fluctuations in the FX rates in the commercial and financing transactions. FX risk results from the commercial assets and liabilities recognized, including borrowings, expressed in foreign currencies. Given the high associated costs, the Company’s policy is not to use derivative financial instruments to mitigate this risk.

Interest rate risk regarding the cash flow and fair value

The interest rate risk regarding the cash flow is the risk that the future cash flows should fluctuate due to the variations in the market interest rates.

The interest rate risk at fair value is the risk that the value of a financial instrument fluctuates due to the variation in the market interest rate. The financial instruments bear interest at market values and, as a result, it is considered that their fair values do not significantly differ from the book values.

Credit risk

Credit risk is the risk that one of the parties of a financial instrument fails to meet the obligation assumed causing a financial loss to the other party. The Company is subject to a credit risk due to its trade receivables and other types of receivables. The Company has policies meant to ensure that the sales are made to clients with proper references regarding their creditworthiness.

The due date of the liabilities is carefully monitored and the amounts due after exceeding due date are promptly monitored. Trade receivables (clients) are presented net of the adjustments for doubtful receivables impairment (Note 8). The Company develops policies that limit the value of the credit exposure against any financial institution.

Liquidity risk

Liquidity risk (also called financing risk) is the risk that an entity encounters difficulties in obtaining the funding necessary for meeting the commitments pertaining to the financial instruments. Liquidity risk may result from the incapacity to rapidly sell a financial asset at a value close to its fair value.

A prudent liquidity risk management involves maintaining sufficient cash and credit lines available, by continuously monitoring the estimated and actual cash flow, by correlating the due dates of the financial assets and liabilities. Due to their nature, the Company aims at maintaining flexibility in the financing possibilities, including by the support of the majority shareholder.

25. FINANCIAL AUDITOR'S FEE

The fee for the financial audit of the annual financial statements for the year ended December 31, 2025 is in accordance with the audit service rendering agreement and is in amount of RON 35,040 (2024: RON 132,000).

26. SUBSEQUENT EVENTS

There are no material subsequent events that could have a significant impact on these financial statements.

Statement of Persons in Charge

Pursuant to the legal stipulations of the Regulation no. 5/2018 issued by the Financial Supervisory Authority (FSA) for issuers and operations with securities, the Management of the Company states that:

1. We confirm to the best of our knowledge that the separate financial statements of Alum, prepared in accordance with the applicable accounting standards, give a true and fair view of the financial position, financial performance and cash flows of the Company for the year ended 31 December 2025;

2. The Directors Report for the financial year ended 31 December 2025 gives a true and fair view of the development and the performance of the Company, as well as a description of the main risks and uncertainties associated with the expected development of the Company.

At the date of this report, the Board of Directors of the Company consists of 5 members as follows:

1.	Genoveva Năstase	Chairman
2.	Igor Higer	Vice-President
3.	Răzvan-Sebastian Pop	Member
4.	Ioan Popa	Member
5.	Mihaela Duralia	Member

The separate financial statements of Alum for the year ended 31 December 2025 are audited.

Chairman of the Board of Directors
Genoveva Năstase

CEO
Gigi Pîrlog

CFO
Mihaela Duralia

24 April 2026