REPORT OF THE BOARD OF DIRECTORS

REGARDING THE PATRIMONIAL SITUATION OF THE COMPANY ALUM S.A. ACCORDING TO THE ART. 153^{24} FROM THE LAW NO. 31/1990 PERTAINING TO COMPANIES

I. Report's Legislative background

According to the provisions of the art. 153^{24} of the Law no. 31/1990 pertaining to companies, republished, with subsequent changes, if the Board of Directors finds out, following to some losses in the annual financial statements, approved according to the law, that the net assets of the Company, considered as the difference between the total assets and the total liabilities, has decreased to less than half of the subscribed share capital, shall immediately convene the Extraordinary General Shareholders Meeting in order to decide if the Company must be dissolved.

The paragraph 3 of the art. 153^{24} stipulates the obligation of the Board of Directors to present to the Extraordinary General Shareholders Meeting gathered according to paragraph (1) a report regarding the Company's patrimonial situation, accompanied by the censors' remarks, or, if the case may be, of the internal auditors. This report must be deposited at the Company's registered office with at least one week prior to the general shareholders meeting's date in order to be analysed by any interested shareholder. During the Extraordinary General Shareholders Meeting the Board of Directors shall inform the shareholders regarding any relevant facts occurred after drafting the report.

Below are reproduces the provisions of the paragraphs 4 and 5 of the art. 153^{24}:

„(4) If the extraordinary general meeting does not decide the company's dissolution, then the company is obliged, not later than the end of the financial year following the year when the losses were determined and under the provisions of art. 10, to proceed to the capital decreasing with an amount at least equal to the amount of losses that it is not possible to be covered from the reserves, if during this period the net assets of the company was not re-established to the threshold at least equal to half of the registered capital.

(5) Should the extraordinary general meeting is not held, according to the paragraph (1) or should the extraordinary general meeting does not validly deliberate also in the second session, any concerned person may claim in court the dissolution of the company. The dissolution may be claimed also in the case of failure to comply with the obligation regulated by paragraph (4). In any such cases, the court may grant the company a term in order to settle the situation, term which will not exceed 6 months. The company shall not be dissolved if the reestablishment of the net assets to the threshold at least equal to half of the registered capital is carried out until the court dissolving final decision."

Article 10 is mentioning the following:

„(1) The registered capital of the joint-stock company and of the limited partnership by shares shall not be lower than RON 90,000. The Government shall updated once in 2 years at the most, the minimum value of registered capital, taking into account the exchange rate, thus this amount shall be the RON equivalent of EUR 25,000.

(2) Except for the case when the company changes its legal status into a company with another status, the capital of the companies mentioned at paragraph (1) may not be reduced under the legal minimum threshold unless its level is established to a level at least equal to the legal minimum threshold by taking a decision related to increase the capital in the same time with the decision to reduce the capital. In the case of failure to comply with these provisions, any concerned person may claim in court the dissolution of the company. The company shall not be dissolved if, until the court's final decision, the registered capital is established to the legal minimum threshold provided by this law."

II. Analysis of current situation of Alum's assets

At December 31, 2025, according to the financial statements of Alum S.A. (The "Company") for the financial year 2025, submitted for approval for the Ordinary General Shareholders' Meeting that was held on May 28, 2026, the Company's net assets were in amount of 27,209,080 lei and the subscribed and paid share capital amounted to 488,412,908 lei resulting in a deficit (up to the minimum permitted by the law for the net assets) of 216,997,374 lei.

In order to address the situation, the Company's shareholders approved, on December 15, 2025, a reduction of the share capital from 488,412,908 lei to 164,172,406 lei, by decreasing the nominal value of the shares from 5.95 lei to 2 lei.

At September 30, 2026, according to the financial statements, the Company's net assets are in amount of 21,182,070 lei and the subscribed and paid share capital amounts to 164,172,406 lei, resulting in a deficit (up to the minimum permitted by the law for the net assets) of 60,904,133 lei.

Details regarding net assets (equity) of Alum S.A. are presented in the table below:

EQUITY	31.dec.25	30.sept.26
I. SHARE CAPITAL, out of which		
- capital subscris si varsat (account 1012)	488.412.908	164.172.406
III. REVALUATION RESERVE (account 105)	9.732.992	8.884.221
IV. RESERVES (account 106)		
Legal reserves (account 1061)	20.628.155	20.628.155
Other reserves (account 1068)	53.511	53.511
TOTAL	*20.681.666*	*20.681.666*
V. RETAINED EARNINGS (account 117)		
Accumulated losses (debit balance)	413.019.218	166.529.213
VI. RESULT FOR THE YEAR		
Loss (debit)	78.599.268	6.027.010
TOTAL EQUITY	**27.209.080**	**21.182.070**
SHARE CAPITAL	488.412.908	164.172.406
1/2 OF SHARE CAPITAL	244.206.454	82.086.203
EQUITY - 1/2 OF SHARE CAPITAL	**-216.997.374**	**-60.904.133**

III. The conclusions of the report regarding the Company's patrimonial situation

Taking into consideration the general economic background, the environment in which the Company is developing its activity, the liabilities structure and the Company's affiliation at Alro's Group, Alum being part of its production integrated chain, the Company's management considers that there were taken all the measures to sustain the Company's activity and to continue its activity in a predictable future.

Also, the Board of Directors and the Company's management are currently in the process of reviewing the current capital structure and options to resolve the capital deficit.

In conclusion, the Board of Directors recommends to the shareholders to vote against the Company's dissolution.

President of the Board of Directors

Genoveva Năstase