

Current Report

To: **The Financial Regulating Authority
Bucharest Stock Exchange**

No. 96/27.12.2021

Date of report: **December 27, 2021**
Name of issuer: **Alro S.A.**
Headquarters: **Slatina, 116 Pitesti Street, Olt County**
Telephone/ fax number: **+40 249 431 901 / +40 249 437 500**
Sole registration number at the Trade Register Office: **RO 1515374**
Trade Register Number: **J28/8/1991**
The European Unique Identifier (EUID): **ROONRCJ28/8/1991**
Legal Entity Identifier (LEI): **5493008G6W6SORM2JG98**
Subscribed and paid-in share capital: **356,889,567.5 RON**
Regulated market on which the issued shares are traded: **Bucharest Stock Exchange – Premium Category**
(market symbol: **ALR**)

Ref: Current report prepared in compliance with ASF Regulation no. 5/2018, with subsequent amendments and additions, and with the stipulation of Law no. 24/2017 article no.139 pertaining to Issuers of Financial Instruments and Market Operations, republished.

Significant event to be reported: Communique- the production activity of primary aluminum will be reduced

The company announces to the investors and the interested public that, in the context of the exceptional situation on the energy and gas markets, the Board of Directors adopted, in the meeting of December 27, 2021, the production program for the year 2022.

The production program is based on a number of sound economic principles, such as preserving liquidity, fulfilling all the obligations assumed by the company, including timely payment of salaries, taxes and fees, and debt service under the loans, and adopting a business model aimed at, on the one hand, reducing the company's dependence on electricity, and on the other hand, maintaining its product portfolio as much as possible, except for the unprofitable or very low profit margin ones.

In this sense, the production activity of primary aluminum will be reduced, from five electrolysis halls to two halls, with the implementation of technological measures to allow a quick and efficient restart when energy market conditions return to normal.

In terms of products portfolio, the company intends to maintain or even increase the portfolio of processed products and reduce the portfolio of primary products, so as to result in a balanced and efficient production mix.

In 2022, measures will be implemented to reduce costs and streamline the activity, and the quantities of primary metal that will no longer be produced will be partially offset by recycled metal or primary metal purchased from third parties.

The company appreciates that some of its suppliers and customers will be affected by the proposed measures, so it intends to engage in constructive discussions with them in order to reduce the impact and ensure the conditions for resumption of capacity.

The management of the company does not currently consider lay-offs of the employed staff, but only measures for the efficient use of labor, measures that may include periods of technical unemployment [or the outrunning and cumulation of some revisions and repairs].

With regard to ongoing investments, the company will focus only on those investments that will bring immediate gains and improvements to its business or that are necessary in order to comply with the safe and legal operation. The other investments will be postponed to a later date, depending on the developments in the economy.

The management of the company expresses its confidence that the company will successfully go through the current difficult period and will timely inform the investors and the interested public about the evolution of its situation, in accordance with the rules of the capital market. Relevant financial information will be published, as usual, according to the annual financial calendar.

Chairman of the Board of Directors
Marian Daniel Nastase

Managing Director
Gheorghe Dobra