



# SC ALTUR S.A. Slatina

RC J/28/131/1991, CUI: R1520249, SIRUES 281092373,  
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## ANNUAL REPORT - 2022

### of the Board Of Directors

for the financial year 2022

According to Annex 15 of FSA. No.5 / 2018 Regulation  
on issuers of financial instruments and market operations.

**Annual Report according to :** CNVM Regulation no. 5/2018

**Name of the issuer:** ALTUR SA

**Headquarters:** Slatina, Str.Pitești, no.114, Olt county

**Phone / Fax:** 0249/436834; 0249/436037

**Unique registration code :** RO 1520249

**Registered in TRADE REGISTER UNDER :** J28 / 131/1991

European Unique Identifier (EUID):ROONRC J28/131/1991

**COD LEI :**259400IHBSVL900VM346

**Regulated market where the issued securities are traded:** Bucharest Stock  
Exchange –Standard Category

**Subscribed and paid Capital up to 31.12.2022:** 30,604,867 lei

**Total number of shares:** 306,048,670

**Characteristics of the securities issued:** Common, nominative, dematerialized  
shares with a nominal value of 0.1 lei / share

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## **1. ANALYSIS OF THE COMPANY 'S ACTIVITY**

### **1.1. Description of activity of the Company's**

#### ***a) Description of the current main activity of the company;***

**MAIN AREA:** Casting of light non-ferrous metals  
**2453.** Casting of light non-ferrous metals.

**MAIN ACTIVITY:** DESIGN, PRODUCTION AND MARKETING IN COUNTRY AND ABROAD OF : PISTON FOR MOTOR VEHICLES, cast aluminum parts, including services and technical assistance.

**2932** - Manufacture of other parts and accessories for motor vehicles and their engines

ALTUR SA has accumulated over the years rich experience in manufacturing products of cast aluminum alloys for the production of pistons for automotive industry and production of cast parts for car manufacturing industry in Romania.

ALTUR S.A. Slatina manufacture and sells : pistons, engine sets, aluminum castings, it carries out import-export and other activities, according to the Articles of Incorporation.

#### ***b) Indication regarding the date of establishment of the company;***

ALTUR S.A. Slatina was established in 1991 based on Decision of government number 116 by reorganization of Enterprise for Aluminum Castings and Pistons for Automotive Industry (I.P.T.A.P.A.) which was founded in 1979.

#### **c) Description of any merger or significant reorganization of the company, its subsidiaries or controlled companies during the financial year;**

During the financial year 2022, for which it is reported, the company did not carry out any significant merger or reorganization.

#### **d) Description of acquisitions and / or disposal of assets;**

Were purchased and self-constructed assets consisting of technological equipment for production activities, quality assurance equipment, means of transport worth **362,942** lei. There were modernized constructions - industrial halls in the amount of 222,215 lei

In the tear 2022 no mobiliary values have been adopted. Securities of the issuer Vulturul Comarnic SA were sold

#### **e) Description of the main results of activity of the company .**

Nr. crt.	Capitol	FORECAST 2022	REALIZED 2022
1	Total income	181,334,000	142,489,529
2	Total expenses	173,258,100	140,064,196
3	Gross result	8,075,900	2,425,333
4	Net result	6,837,336	2,478,913

## **1.2. Assessment of the technical level of the company**

### **Description of the main products and / or services provided, specifying:**

ALTUR SA produces a wide range of cast products made of aluminum alloys of the following types:

- gravitational castings;
- die castings;
- castings and machined parts, finished parts.

### **a) Main markets for each product or service and distribution methods;**

#### **Internal market :**

1. Manufacturers of road motor vehicles or agricultural machinery and sub-assemblers.

Distribution type: producer - beneficiary.

Aluminum castings are mainly intended for the manufacturers of automotive components (***Dacia Automobile, Continental Romania***) and represent 5.73% of the total production.

2. Car repair shops and retailers of car parts.

Distribution type: producer - beneficiary - final consumer.

#### **External Market:**

Distribution type: producer - beneficiary.

Aluminum castings are intended for manufacturers of automotive components (**ZF Active Safety GmbH Germany, ZF Braking Systems Poland, ZF Active Safety France, ZF Automotive UK Limited, Continental Automotive, Robert Bosch Poland**), aluminum castings and cast and processed parts for automotive components manufacturers as well as car manufacturers (**Contitech AVS France, Continental Automotive Technologies Germany, RENAULT**) as well as manufacturers of components for thermal power plants (**M & G Italy, Burgerhout Netherlands**).

### **Description of the external market:**

The foreign market of ALTUR S.A. brings together the parts delivered for export to the UK, Brazil and Turkey, as well as those delivered within the European community.

The main destination countries are:

<b>Countries</b>	<b>Customers</b>	<b>percentage of the foreign market</b>
Poland	ZF Automotive, Robert Bosch	44.17%
Germany	ZF Automotive, Continental Automotive Technologies, Bock GmbH	21.65%
UK	ZF Automotive, Continental	18.90%
Italy	M&G Group	5.30%
France	Renault, Contitech AVS	4.06%

### **ALTUR main products are:**

#### **Gravity castings of aluminum alloys:**

1. Body pump brake;
2. Body brake caliper;
3. Engine Support .
4. Suspension caps

#### **Die cast parts of aluminum alloys:**

- Elbows for heating stations ;
- Components for gas distribution systems
- Fixtures for water pump, gasoline, oil;
- Elements for hydraulic pumps;
- Engine Support.

#### **Casting and processed parts (finished products ):**

1. Engine support ,
2. Covers for suspension
3. Pistons for auto, etc.

### **b) The share of each product or service on revenue and total turnover of the company for the last three years;**

Nr. Crt.	Product	Share (%)		
		2020	2021	2022
1	Gravity cast parts	74.10	75.40	85.28
2	Die pressure cast parts	25.90	24.60	14.82

3	Cast parts (1+2) and machined	36.15	36.20	20.57
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### **1.3. Assessment of the technical and material supply activity (indigenous sources, import sources)**

*Specification of information on the security of supply sources and commodity prices and on the stock sizes of raw materials and materials.*

Supply activity aims to highlighting the criteria that are the basis of ensuring the company with raw materials and materials for the smooth running of the production and repairing processes, in the conditions of achieving the products at the best quality parameters requested by the customers.

The main objectives of the supply activity were:

- Reduction of acquisition costs;
- Avoiding the formation of stocks of raw materials and materials, orders being launched taking into account the duration of supply;
- Identification of new potential partners;
- Reviewing and renegotiating the contracts / commercial conditions offered by suppliers in 2022 to reduce the prices of some materials;
- Increasing payment terms at internal and external suppliers in order to obtain longer credit periods.

For the good performance of the supply activity, during 2022 the company supplied raw materials and materials, both on the domestic market and on the foreign market, this being based on extensive prospecting on the two markets, the company effectively negotiating the contracts with its suppliers.

The correct dimensioning of stock of raw materials and supply materials meant ensuring the continuity and elimination of the synapses in the supply activity and implicitly in the production.

#### **Major suppliers of raw materials in 2022 were:**

Nr crt	Supplier	Raw material
1.	<b>Vimetco Alro SA</b>	Aluminium alloys
2.	<b>Aluphoenix Italy</b>	Aluminium alloys
3.	<b>Huttenes Albertus Polonia</b>	Sand cores
4.	<b>Huttenes Albertus Roamania/Refarom Braşov</b>	Metallurgical treatments- fluxes
5.	<b>Voestalpine Bucureşti/Bogner Sibiu</b>	Steel for tools and molds
6.	<b>Lixland SRL</b>	Refractory products for furnaces

7.	<b>Messer București</b>	Compressed gas and dry ice
8.	<b>Pentaron SA</b>	Cardboard packaging
9.	<b>Markbi Miercurea Ciuc</b>	Crucibles
10.	<b>KBM Affilips</b>	Master alloy AlSb 10

#### **1.4. Assessing of sales activity**

##### **a) Description of the evolution of sequential sales on the domestic and / or external market and of the prospects for medium and long-term sales;**

In 2022, the sales on the domestic market increased to 1.8 mil. Euro, compared to those in 2021 which were around 1.2 mil. Euro.

As for export sales and intra-Community deliveries in 2022, they had an increase of 43% compared to 2021, respectively 25.8 mil. Euro in 2022 compared to 18 mil. Euro – in 2021.

For 2023, it is estimated an increase in turnover by approximately 13% compared the previous year, as a result of the increase in the order portfolio and the resumption of economic activity in the automotive industry.

##### **b). Description of the competitive situation in the field of activity of the company, the market share of the products or services of the company and of the main competitors ;**

###### **Company's main competitors in aluminum castings:**

<b>Product</b>	<b>Competing company</b>
<b>Cast parts</b>	Le Belier – France, Hungary EBCC-Poland, Alpress SRL – Italy

##### **c). Description of any significant dependence of the company on a single customer or on a group of customers whose loss would have a negative impact on the company's income.**

**ZF Active Safety**, based in Germany, France, Poland, England, the Czech Republic and **CONTINENTAL Teves**, based in Germany, Czech and Romania, are significant customers of ALTUR S.A SLATINA, accounting for more than 65% of the company's turnover.

Besides these two important customers, Altur also conducted business with other customers who hold a smaller share in the turnover, namely Bock – Germany, Renault, Robert Bosch, Contitech AVS.

### **1.5. Assessing employee / company staff issues.**

*a) Specifying the number and level of training of the employees of the company as well as the degree of unionization of the labor force;*

***In 2022, ALTUR SA Slatina has an average number of 531 employees, with an individual labor contract.***

The level of training is predominantly average. In terms of recruitment and selection of staff, the period is characterized by a limited supply of qualified personnel.

The degree of syndication was 87%.

During 2022 the number of employees of the company ranged from 530 employees on 1 January 2022 to 515 employees as of 31 December 2022. The reasons for this variation were the following:

1. The work contract has been incetated to a number of 104 salariats, of which:
  - termination during the probationary period 9 employees;
  - termination at the end of the MIF for a fixed period: 8 employees;
  - termination of the employee's initiative 18 employees, of which 4 by agreement of the parties and 14 by resignation;
  - termination of the initiative of the company 45, of which 1 for professional non-compliance and 44 for disciplinary (for not showing up for work);
  - retired 25 employees;
2. The employment contract for child care has been suspended up to 2 years for 1 employees;
3. 91 employees were employed;
4. resumed work after the suspension of the employment contract for the care of the child for up to 2 years, 2 employees.

The staff structure on 31.12.2022 was as follows:

- Directly productive staff: 453,
- Indirectly productive staff: 31,
- TESA staff: 31,
- TOTAL: 515

*b) Describe the relationship between management and employees as well as any conflicting elements that characterize these relationships.*

The relations between the company's management and the employees, carried out in 2022 on a professional basis and without conflicts, were regulated by the



Collective Labour Agreement concluded between the Employers' Association - Trade Unions and the specific legislation in force, observing the working procedures and the Internal Regulation

In the fight against the COVID-19 pandemic, the management of the company has adopted all the necessary measures, so that the company's activity is carried out in conditions as close as possible to the normal ones.

### **1.6 Assessing issues related to the impact of the issuer's core business on the environment**

*Synthetic description of the impact of the issuer's core activities on the environment as well as any existing or expected disputes concerning infringement of environmental protection legislation.*

The activity carried out by the company is regulated by the Environmental Authorization no.1/22.07.2013, issued by APM Olt, valid until 22.07.2023.

ALTUR SA Slatina, through its activity and the products it produces, according to the object of activity, **does not cause negative impact on the environment.**

There were no environmental disputes.

The company is certified according to iatf reference standards 16949:2016, ISO 9001:2015 and ISO 14001:2015, having an integrated quality assurance system

### **1.7. Evaluating research and development**

*Statement of expenditure in the financial year as well as those that are anticipated in the next financial year for development research activity.*

In 2022, 170.000 lei were foreseen for the research and development activity and for the year 2023 it is estimated to be 200.000 lei.

The investment and modernization program in 2021 had as main objective the modernization of the technological processes of casting and machining , correlated with the increase of the production capacity in the processed products segment.

### **1.8. Evaluating the business of the company on risk management**

*Description of the company's exposure to price, credit, liquidity and cash flow risk.*

*Description of the company's policies and objectives regarding risk management.*

Like any player in a competitive market, the company is always exposed to both changes in the price of raw materials, energy and natural gas and to developments in foreign exchange rates.

In 2022 ALTUR SA's activity was exposed to the following types of risks:

### **Liquidity risk**

The company monitors the risk of experiencing a lack of funds using a recurring liquidity planning tool. The company carefully monitors and monitors cash flows to prevent this risk, and also has access to funding from major partner banks.

In order to support the current activity, the company benefited from financial aid in the form of loans from the majority shareholder, in the financial year 2021 with the amount of 3.46 million lei and in the financial year 2022 with the amount of 3.3 million lei for the payment of debts to the suppliers of raw materials and utilities.

### **Currency risk**

Currency risk is the risk that the fair value or future cash flows of a financial instrument fluctuate due to changes in foreign exchange rates.

The exposure of the company to the risk of exchange rate fluctuations refers mainly to the company's operating activities (when the income or expense is denominated in a currency other than the functional currency of the company).

### **Interest rate risk**

The interest rate risk of interest rate fluctuations is the risk of interest rate and interest income variations due to variable interest rates. The company has loans that bear interest at a variable rate, exposing the company to the liquidity risk.

### **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or a client contract, resulting in a financial loss. The Company is exposed to credit risk from its operating activities (mainly for trade receivables) and from its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

As of December 31, 2022, the total debts of Altur SA are in the amount of RON 58,035,548, of which the significant values are represented by:

- amounts owed to credit institutions (banks) 20,005,918 lei,
- commercial debts suppliers 16.205.699 lei,
- loans from the bond issue (including interest) 10,224,101 lei,
- loans from the majority shareholder 6,761,007 lei.

For the financing of working capital and possible refinancing of loans, in 2023 it is intended to obtain financing from another credit institution.

## **1.9. Perspectives on the activity of the company**

a) *Presentation and analysis of trends, elements, events or uncertainty factors affecting or likely to affect the liquidity of the company compared to the same period of the previous year.*

The trends of the market economy are reflected in **ALTUR SA** for 2023, by **increasing the export to the current customers and starting the collaboration with new clients**. The company is considering developing new products both for the automotive industry and for the manufacture of components used in other sectors of activity destined for the European Union market. Obviously, the above will still depend on the evolution of the pandemic at European and global level, as well as the evolution of the conflict in Ukraine.

ALTUR SA has prospectively covered the contractual range of potential business by 2026.

b) *Presentation and analysis of the effects of capital expenditures, current or anticipated on the financial situation of the company compared to the same period last year.*

### **Effects of capital expenditure on the financial situation**

<b>Nr Crt</b>	<b>Capitol</b>	<b>U/M (formula)</b>	<b>Anul 2021</b>	<b>Anul 2022</b>
1	Turnover	Ron	93,553,310	135,248,550
2	Net profit	Ron	(7,018,340)	2,478,913
3	Gross profit / (loss)	Ron	(7,071,920)	2,425,333
4	Operating profit / (loss)	Ron	(5,848,471)	5,027,587
5	Total Assets	Ron	105,878,727	112,292,235
6	Total Fixed Assets	Ron	69,780,808	64,338,255
7	Personal capital	Ron	50,640,848	53,293,418
8	Stocks	Ron	16,792,018	25,075,511
9	Debt	Ron	19,155,888	22,706,480
10	Reference date		21.03.2022	20.03.2023
11	Market price of shares	Ron	0.05	0.05
12	Nominal value of shares	Ron	0,1	0,1
13	Gross dividend	Ron	-	-
14	Rotation of stocks	(1)/(8)	6	5
15	Average Collection Period	365*(9)/(1)	75	61

16	Rotation of Fixed Assets	(1)/(6)	1.34	2.1
17	Rotation of the total asset	(1)/(5)	0.88	1.2
18	Net profit rate	(2)*100/(1)	-	1.83
19	Winning power	(4)/(5)	(0.055)	0.045
20	Return on total profitability	(2)*100/(5)	(6.63)	2.2
21	Return on financial profitability	(3)*100/(7)	(13.9)	4.55
22	Rate of return stock market capitalization coefficient	6458054*(11)	322,903	322,903
23	Report market value / accounting value	(11)*100/(12)	50	50

*c) Presentation and analysis of events, transactions of economic changes that significantly affect revenues from basic activity.*

Export growth by reducing the share of the two major **ZF Active Safety** customers and **CONTINENTAL Teves** as a result of the increase in the share of other customers and the expansion of exports to new markets in SPAIN, POLAND and others will have favorable effects on liquidity.

The evolution of the main market of the **London Metal Exchange** aluminum will also influence the company's activity, the increase in the prices of aluminum alloys generating the increase in turnover, and a decrease in the prices of aluminum alloys leads to a decrease in turnover.

One of the most important events in 2020 and continued in 2021 - 2022, with important consequences for the automotive industry in Europe and the world was generated by the pandemic caused by Covid 19 which was reflected in the evolution of the company's turnover as well as in the revenues from the core business.

Another event with negative consequences on the economic activity in the automotive field was the conflict triggered in Ukraine by Russia at the beginning of 2022.

## 2. CORPORATE ASSETS OF S.C. ALTUR S.A.

### 2.1 Location and characteristics of the main production capacities of the commercial property.

Nr crt	Principalele capacități de producție	Surface (Square feet)	Characteristics	Degree of wear%

1.	Production section of aluminum parts and automobile pistons	32,390	- 1,500 to/year – pistons and die pressure casts - 5,500 to/year – gravity cast parts	31
2.	Production section machining and treatments	18,182	1,300 to/year - piston and machined aluminium parts	31

## **2.2. Description and analysis of wear for the properties of the company**

Company policy is oriented towards business development and modernization of production processes by introducing new technologies in the field, such as ALTUR to remain an important supplier for Western European automotive industry.

The investment and modernization program of 2021 aimed mainly at the modernization of the technological processes of casting and processing, correlated with the increase of the production capacity.

The increase of the production capacity is mainly oriented on machining of the part, the target of the company being the increase in the number of delivered parts in finished state with a direct influence on the increase of the added value.

## **2.3. Specifying potential issues related to ownership of tangible assets of commercial companies.**

ALTUR S.A. SLATINA has no problems with the ownership of tangible assets

## **3.THE MARKET OF THE MOBILE VALUES ISSUED BY ALTUR S.A. Slatina**

### **3.1. Specification of the markets in Romania and other countries where the securities issued by the trading company are negotiated.**

The market on which the ALTUR S.A shares are traded under the ALT symbol is the ***BUCHAREST STOCK EXCHANGE, Standard Category.***

### **3.2. Description of the company's business policy on dividends**

Specifying the dividends due / paid / accumulated over the last 3 years and, if applicable, the reasons for the possible reduction of dividends over the last 3 years.

Nr. Crt.	Year	Net dividends payable	Net dividends paid
1.	2020	-	-
2.	2021	-	-
3.	2022	-	-

In 2022 it is not the case of dividend distribution, because even if the result of the financial year is a profit in the amount of 2.4 million lei it will be distributed to cover the losses of previous years.

**3.3. Description of any activities of the company to acquire its own shares.**

- It's not necessary

**3.4. Where the company has subsidiaries, the indication of the number and nominal value of the shares issued by the parent undertaking owned by the subsidiaries.**

- It's not necessary. The company has no subsidiaries.

**3.5. If the company has issued bonds and / or other debt securities, the disclosure of how the company fulfills its obligations towards the holders of such securities.**

- The company Altur SA issued in 2022 bonds totaling RON 9,600,000, with a maturity of 3 years and an annual interest rate of 7% payable on 25 January of 2023, 2024, 2025.

The interest for the first year (2022) was paid to bondholders in January 2023.

**4. MANAGEMENT OF THE COMPANY**

4.1. Presentation of the list of the administrators of the company and the following information for each administrator:

## **COMPANY ADMINISTRATORS:**

### **NIȚU RIZEA GHEORGHE**

1. Functions held in the company: ***Chairman of the Administration Council***
2. Administrator's participation in the company's share capital: 62,669 shares
3. List of affiliated persons: they are not.
4. Mandate term: 29.08.2016 -28.04.2024

### **JURAVLE BOGDAN**

1. Functions held in the company: ***Administrator***
2. Administrator's participation in the company's share capital: 1,113 shares
3. List of affiliated persons: they are not.
4. Mandate term: 28.04.2020 - 28.04.2024

### **ANDRICI ADRIAN**

1. Functions held in the company: ***Administrator***
2. Administrator's participation in the company's share capital: 96,143,530 shares
3. List of affiliated persons: they are not.
4. Mandate term: 28.04.2020 - 28.04.2024

### **BLĂJUȚ IONEL OLIMPIU**

1. Functions held in the company: ***Administrator***
2. Administrator's participation in the company's share capital: not applicable
3. List of affiliated persons: they are not.
4. Mandate term: 28.04.2020 -28.04.2024

### **CHIȘ GRIGORE**

1. Functions held in the company: Administrator
2. Administrator's participation in the company's share capital: 2,003 shares
3. List of affiliated persons: they are not.
4. Mandate term: 28.04.2020 -28.04.2024

**4.2.** *Presentation of the list of members of the executive management of the company*

## **MEMBERS OF THE EXECUTIVE LEADERSHIP:**

### **BURCA SERGIU**

1. Function held: ***General Manager***

2. The term for which he is a member of the management: Contract for the period 24.03.2015 - 30.10.2022, mandate extended for a period of 4 years, respectively from 01.11.2022 to 31.10.2026.

3. Participation in the share capital of the company: 8,757,813 shares.

### **ALECU MIHAI**

1. Function held: **Technical Manager**

2. The term for which he is a member of the management: indefinite.

3. The relationship on which he was named in leadership:

- Assistant Manager for the period 2002-2006,

- between 1990-2002 and from 2006 until now, he heads the Technical

Department.

4. Participation in the company's share capital: not applicable

### **TACLIT VALERICA**

1. Function held: **Head of Production**

2. The term for which he is part of the management: indefinite.

3. The relationship on which he was appointed in the management: He held the position of Head of Production Development - Design and Quality Department from 2006 to 2018. Since 2018 until now he leads the Production Directorate.

4. Participation in the company's share capital: is not the case

## **5. THE ACCOUNTING FINANCIAL SITUATION**

**Presenting an analysis of the current economic and financial situation compared to the last 3 years with reference at least to:**

Analysis of the economic and financial situation for the years 2020-2022

### **Balance sheet items**

<b>Nr. crt.</b>	<b>Capitol</b>	<b>U/M (formul a)</b>	<b>Year 2020</b>	<b>Year 2021</b>	<b>Year 2022</b>
1.	Cash and other available cash	Ron	1,668,243	91,871	58,266
2	Fixed assets	Ron	46,832,798	69,780,808	64,338,255
3	Current assets	Ron	44,151,409	36,097,919	47,953,980
4	Total assets	Ron	90,984,207	105,878,727	112,292,235
5	Current liabilities	Ron	50,067,472	50,833,654	45,894,098
6	Fiscal value	Ron	75,337,103	93,553,310	135,248,550



7	Total income	Ron	65,947,229	96,456,377	142,489,529
8	Equity	Ron	30,604,867	50,640,848	53,293,418
9	Gross profit (a)	Ron	(16,213,448)	(7,071,920)	2,425,333
10	Gross profit rate	$\frac{(9)*100}{(6)}$ (%)	-	-	1.79
11	Net insurance degree with cash availability	$\frac{(1)*100}{(3)}$ (%)	3.78	0.25	0.12
12	Current Loan / Fixed Assets Ratio	$\frac{(3)*100}{(2)}$	94.27	51.73	74.53
13	Number of rotation of the total asset	$(6)/(4)$	0.83	0.88	1.2
14	Rate of immobilization	$\frac{(2)*100}{(4)}$ (%)	51.47	65.91	57.3
15	Average profit per 1 leu	$(9)/(7)$	(0.246)	(0.073)	0.017
16	Debt ratio in Total Liabilities	$\frac{(5)*100}{(4)}$	55.03	48.01	40.87
17	Risk provisions	Ron	1,090,028	803,516	963,269

**b) Profit and loss account items**  
**Cost items of at least 20% of total revenue**

Nr crt	Chapter	Year 2020	Year 2021	Year 2022
1	Expenditure on raw materials	34,344,416	50,101,275	82,634,662
2	Staff costs	21,023,837	25,155,676	25,916,398

**c) Cash-flow**

Nr crt	Capitol	Year 2020	Year 2021	Year 2022
1	Equity	30,604,867	50,640,848	53,293,418
2	Financial liabilities t.l.	10,311,868	4,404,225	13,104,719

3	Net assets	46,832,798	69,780,808	64,338,255
4	Bearing fund	(5,916,063)	(14,735,735)	2,059,882
5	Stocks	14,994,600	16,792,018	25,075,511
6	Receivables	27,488,566	19,214,030	22,820,203
7	Operating liabilities	50,067,472	50,833,654	45,894,098
8	The Need for Bond Fund	(7,584,306)	(14,827,606)	2,001,616
9	Net Treasury	1,668,243	91,871	58,266
10	Cash flow	1,466,027	(1,576,372)	(33,605)

\* Long-term payables also include prepaid earnings.

\* Claims include prepaid expenses.

In 2022, no segment of the company's activity was sold or stopped, a situation that is not expected to change in the next year.

## 6. CORPORATE GOVERNANCE

As an issuer listed on the Bucharest Stock Exchange Category, **ALTUR SA** constantly takes into account the principles of corporate governance in the Corporate Governance Code of BVB.

The subscribed and paid-up share capital of the company is 30,604,867 lei divided into 306,048,670 common shares, nominative, dematerialized with a nominal value of 0.1 lei.

The company carries out its activity in accordance with the provisions of the Romanian legislation.

Thus, the main normative acts that govern the activity of the company are: Law no. 31/1990 on commercial companies with subsequent amendments and completions, Law no.24/2017 on issuers of financial instruments and market operations, ASF Regulation no.5/2018 on issuers and transactions with securities, the Bucharest Stock Exchange Code.

The company, in accordance with art.94 of the Bucharest Stock Exchange Code book I – Title II Issuers and Financial Instruments, reports the status of compliance with the provisions of the Bucharest Stock Exchange Code of Corporate Governance, the declaration of conformity being an annex to this report.

The Company has developed a Corporate Governance Regulation that describes the main aspects of corporate governance, a document subject to approval in the Board of Directors and which is posted on the company's website [www.altursa.ro](http://www.altursa.ro).

The corporate governance structure defines the corporate governance structures, the functions, competences and responsibilities of the Board of Directors and executive management, transparency, financial reporting, corporate information regime and social responsibility of the company for its activities.

In accordance with the provisions of the Articles of Incorporation, ALTUR SA is managed in a unitary system, by a Board of Directors, which has the general competence for the successful accomplishment of the object of activity, except for the issues that are within the competence of the General Meeting of Shareholders.

The Board of Directors is composed of 5 members, which guarantee the efficiency of the supervisory capacity, the analysis and the evaluation of the activity as well as the fair treatment of the shareholders.

Members of the Board of Directors are elected by the General Meeting of Shareholders for a period of four years. The Company has an external financial auditor who has acted in accordance with the applicable legal provisions and the contract concluded in this respect.

For the year 2022 the external financial auditor is **SC AMT SERVICE SRL**, it audited the financial-accounting situations.

ALTUR SA respects the shareholders' rights, ensuring them fair treatment. All financial instruments holders issued by ALTUR SA Slatina benefit from equal treatment and the company always makes sustained efforts to achieve transparent communication in order to exercise the rights in a manner equitable by its own means.

The Company has prepared and published periodic and continuous reports, in accordance with ASF (CNVM) and BVB regulations, including financial status, performance, ownership and management, both in the media and on its own web page.

For the General Shareholders' Meetings, details on their conduct, convocations, agenda materials, special proxy form and voting form by correspondence as well as participation and voting procedures were published on the company's website ensures the efficient performance of the works and gives the right of any shareholder to freely express their opinion on the issues under discussion, the decisions taken by the shareholders.

For the financial year 2022, the Annual Report of the Board of Directors and its annexes, the Half-Year Report, the Quarterly Reports and the Current Reports were posted on the site.

The Board of Directors of ALTUR SA Slatina establishes the corporate policy of disseminating information, respecting the legislation in force in conjunction with the Company's Articles of Incorporation, this policy guaranteeing equal access to

information of shareholders and other investors and not allowing abuse of confidential information.

Corporate Social Responsibility is focusing on social and environmental impacts by acting as an integrated policy in the life of society, influencing day-to-day decisions as well as society's actions at all levels.

ALTUR to pay special attention to the education, sports, cultural and humanitarian spheres, this implies for society not only the financial support of certain institutions but also cooperation so that each employee, partner, shareholder is treated with dignity and respect.

The company undertakes to achieve and maintain the highest standards in all aspects of its activity, and the activity of ALTUR SA to be carried out under conditions of transparency, in compliance with the legislation in force.

## **7. NON-FINANCIAL DECLARATION**

This **Annual Report** includes the provisions of the **Order of the Minister of Public Finance no.1938/2016** regarding the modification and completion of some accounting regulations regarding the **non-financial statement** on the sustainability of the company, its performance and its position, the impact of the activity on the environment, social and personnel information as well as the risk policies to which it is subject.

Also included in the report are the business relationships, the nature and evolution of the developed products and services.

The financial/key performance indicators relevant to the specific activity are mentioned, as compared to the previous years.

**President of the  
Board of Directors,**  
Ing. Nitu Rizea Gheorghe

**General Manager,**  
ec.Burcă Sergiu

**Chief Financial Officer**  
ec. Predut Vasile Cornel



## **SC ALTUR S.A. Slatina**

RC J/28/131/1991, CUI: R1520249, SIRUES 281092373,  
SICOMEX 37122,  
CONT RO50RNCB3800000000040001, BCR SLATINA  
str. PITEȘTI, Nr. 114, 230104, SLATINA,  
jud. OLT, ROMANIA  
Tel. 0249/436834; 436979,  
Fax.0249/436834; 436979



### **STATEMENT,**

According to art.223 (1) point c of the ASF Regulation no.5/2018

According to art.223 (1) point c. of ASF Regulation no. 5/2018, we confirm that, after our knowledge, the annual financial statement, as at 31.12.2022, prepared in accordance with the applicable accounting standards, provides a correct and true image of the asset, liabilities, financial position, profit and loss account of the company and that the Annual Report of the Board of Directors includes a correct analysis of the development and performances of ALTUR SA as well as a description of the main risks and uncertainties specific for performed activities.

#### **Chairman of the Board of Directors**

Dipl. Eng. Nițu Rizea Gheorghe

#### **General Manager,**

ec. Sergiu Burcă

Head of financial department

Ec. Preduț Vasile Cornel



**AMT SERVICE SRL**

- expertize - evaluari - audit -

- Autorizatie CECCAR nr. 004529/2007 Autorizatie CAFR nr. 948/2010 -



Craiova, Str. Unirii, Nr. 30, Judetul Dolj

CUI: 7101398 NR. Reg. Com. J16/252/1995

Tel: 0251.415.330 E-mail: amtservicesa@yahoo.com

**INDEPENDENT AUDITOR'S REPORT ON  
ANNUAL FINANCIAL STATEMENTS  
PREPARED BY SC ALTUR SA  
FOR THE FINANCIAL YEAR ENDED AT  
31 DECEMBER 2022**

**CRAIOVA  
2023**



**AMT SERVICE SRL**

- expertize - evaluari - audit -

- Autorizatie CECCAR nr. 004529/2007 Autorizatie CAFR nr. 948/2010 -



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Tel: 0251.415.330 E-mail: amtservicesa@yahoo.com

**Nr.32/07.04.2023**

## **INDEPENDENT AUDITOR'S REPORT**

**To the shareholders of ALTUR SA**

### **OPINION**

1. We have been engaged to audit the financial statements of ALTUR SA., with registered office in Slatina, 114 Pitesti Street, Olt County, with VAT number RO1520249, Commercial register J28/131/1991, comprising the statement of financial position as at 31.12.2021, the statement of comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows for the financial year ending on this date, as well as a summary of significant accounting policies and explanatory notes.

**The financial statements as at 31 December 2022 are identified as follows:**

**-Net assets/Total shareholders' equity: 53,293,418 lei.**

**-Net result for the financial year: 2,478,913 lei (profit).**

2. **In our opinion**, the accompanying individual financial statements give a true and fair view of the financial position of ALTUR SA as at 31 December 2022, and of the financial performance § and cash flows for the year then ended, in all material respects, In accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of Accounting Regulations in accordance with

International Financial Reporting Standards as amended („O.M.F.P. 2844/2016") and with the accounting policies described in the notes to the financial statements.

**Basis for opinion**

3. We conducted our audit in accordance with International Standards on Auditing ("ISA"), EU Regulation No. 537/2014 of the European Parliament and of the Council of the European Union ("Regulation No. 537/2014") and Law No. 162/2017 ("Law"). Our responsibilities under these standards are described detailed in our report in the section ""The Auditor's Responsibilities in an Audit of Financial Statements". We are independent of the Company ALTUR in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code) according to the ethical requirements that are relevant to the audit of financial statements in Romania, and we have fulfilled our other ethical responsibilities in accordance with those requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key audit matters**

4. The key audit matters are those matters which, based on our professional judgement, were of most significance to the audit of the financial statements for the current period. These matters have been addressed in the context of the audit of the financial statements as a whole and in forming our opinion on them and we do not express a separate opinion on these matters.

<b>Key audit issues</b>	Audit procedures performed to address the key audit issue
<p><b>Financial leasing</b>                      As disclosed in note 14 to the financial statements the Company holds financial leases in the amount of 1,379,512 lei.                      The value of the rights of use on 31.12.2022 is of 2,488,493 lei                      The importance of the transposition of finance leases into the accounts in accordance with IFRS 16 is to ensure that lessees and lessors disclose relevant information in a way that accurately represents the transactions under the</p>	<p>The procedures performed to obtain reasonable assurance on finance leases were as follows:                      - We obtained a copy of the lease agreements including the repayment schedules;                      - We have recalculated the rights of use of the two cars and K830 pressure die casting cell in order to determine the correctness of the accounting transposition of the right of use of the underlying asset and the obligations arising from the lease contract, with</p>



<p>leases. Based on this information, users of financial statements can assess the effect of leases on the financial position, financial performance and financial performance and cash flows of an entity.</p>	<p>major implications in terms of recognition of the financial position of an asset and a liability.</p>
<p><b>Income recognition</b></p>	
<p>Income from operating activities represents a significant amount of 141,507,895 representing a large volume of transactions . Types of transactions identified related to revenue recognition lead to the following risks:</p> <ul style="list-style-type: none"> <li>- Completeness and existence of recognized revenue;</li> <li>- the correctness of revenue recognized for transactions relating to trade discounts granted that are outside the normal invoicing process and by their nature involve a level of high management judgement; -</li> <li>- the revenue recognition policy is disclosed in Note "2.2 Principal accounting policies".</li> </ul> <p>In the year 2022 the company's revenues increased compared to the previous year by EUR 1.8 million compared to 2021. Intra-community deliveries increased by EUR 18 million compared to the previous year.</p>	<p>Our audit procedures included among others :</p> <ul style="list-style-type: none"> <li>- assessment of recognition principles of revenue in accordance with IFRS 15 and in relation to the company's accounting policies.</li> <li>-Analytical procedures for revenue recognition under IFRS 15.</li> <li>-testing for existence and effectiveness internal controls (management control, preventive financial control) in order to verify the correct recording of transactions,</li> <li>- testing on a sample basis of trade receivables balances at 31.12.2022 with confirmation letters</li> </ul>
<p><b>Stocks</b></p>	
<p>According to note 15 to the financial statements, compared with the previous year as at 31.12.2022 the stocks at net value are composed of:</p> <ul style="list-style-type: none"> <li>-raw materials and materials at gross value of 2,127,573lei;</li> <li>-advances for stock purchases: 3,634,357 lei;</li> </ul>	<p>Our audit procedures included among others:</p> <p>Discussion with the company on the existing situation.</p> <p>Recalculation of immediate cash indicators to determine the number of days of storage.</p>

<p>-work in progress in the amount of 3,571,725 lei;          -finished products 15,724,994 lei;          -packaging 16,862 lei.</p> <p>As at 31.12.2022 there is an increase in stock compared to 31.12.2021 of 8,283 thousand lei, mainly as a result of the increase in the stock of finished products and the reversal to income of some adjustments made in the previous year.</p>	<p>Material inventories are recorded at acquisition cost which includes all the expenses related to the acquisition as well as other costs to bring the inventories to the form and place of use. At the time of the first removal from the accounts, stocks are valued and entered in the accounts on the basis of the FIFO principle. Cost of finished products, unfinished production includes raw materials, direct wage costs, other direct and indirect costs of production, but excludes interest, sales and distribution costs. For finished products, the estimated net value in relation to sales price including trade discounts granted. Analysis of how the product costing is prepared.</p>
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### **Business continuity issues**

5. With regard to the COVID-19 pandemic in 2022, the company's management has taken all the necessary measures to ensure that the company's activities are carried out as close to normal as possible.

Like any player in a competitive market, ALTUR SA is exposed both to changes in the price of raw materials, energy and natural gas and to changes in exchange rates.

We draw attention to note 23 "Objectives and policies for financial risk management" according to which the company considers that it is not exposed to the risk determined by the price of aluminium commodities, because the determination of the selling price to the company's customers takes into account the purchase price of the raw material according to the evolution of the main aluminium market, the London Metal Exchange. Sales prices in aluminium contracts are updated periodically (mainly quarterly) according to the evolution of the LME quotation for aluminium (page 48 of the notes to the financial statements).

According to management's statements for 2023, turnover is expected to increase by approximately 13% compared to the previous year as a result of the

increase in the orders portfolio and the resumption of economic activity on automotive industry. (page 6 of the directors' report) .

In point 1.9 of the administrators' report (file 9) the management states that the trends of the market economy are reflected in ALTUR SA, for the year 2023, by increasing exports to current customers, as well as starting cooperation with new customers. The company plans to develop new products both for the automotive industry and for the manufacture of components used in other sectors of activity for the European Union market. It is obvious that the above will continue to depend on the evolution of the pandemic at European and world level, as well as on the evolution of the conflict in Ukraine. Our opinion remains unchanged on this point.

The activity of the company is regulated by the Environmental Authorisation of 1/22.07.2013, issued by EPA Olt, valid until 22.07.2023.

The company is certified according to the reference standards IATF 16949:2016, ISO 9001:2015 and ISO 14007:2015 with an integrated quality assurance system.

As stated in the directors' report in paragraph 1.6, the company's management declares that it has assessed the environmental impact of its core business. The activity and the products it produces, according to the object of activity, do not cause a negative impact on the environment. In this respect, the following is subject to the expert audit.

There are no significant uncertainties that could significantly question the entity's ability to continue its activity and implicitly there are no uncertainties that could influence the company to be unable to realize its assets and execute its obligations in the course of the normal performance of its activity.

### **Highlighting certain matters**

6. We have verified the compliance by ALTUR SA, a company with private capital 100% , listed on the Stock Exchange category II with the ticker ALT , with the quarterly, half-yearly and annual financial reporting obligations, in accordance with art. 227 of the "Law 297 on the capital market" and we found that they were fulfilled. As far as internal control is concerned, it is mainly carried out through management control and preventive financial control. The auditor recommends more detailed internal control procedures and closer supervision by management with more precise and detailed responsibilities in the job descriptions. According to Art. 65 para. (7) of the Law no. 162/2017, entities whose financial statements are subject to statutory audit by law (i.e. entities of public interest defined according to Art. 2 item 12 of the Law no. 162/2017 and entities that meet the size criteria for auditing) are obliged to organize and ensure the exercise of internal audit activity. Also for

public interest entities there is an obligation to organize an audit committee, according to the law.

We have not followed the factual inventory of stocks as at 31.12.2022. Due to the nature of the company's records it was not necessary to establish the correctness of the stocks using other audit procedures.

Not participating in the factual inventory of stocks, the responsibility for carrying out the inventory lies with the inventory committees and the central committee.

In the report of the administrators, issues relating to the non-financial statement to be prepared on the basis of the Order of the Minister of Public Finance No. 1938/2016 on the amendment and completion of certain accounting regulations are presented.

### **Other information - Directors' report**

7. Directors are responsible for the preparation and presentation of other information. Other information comprises: the Directors' Report which includes the Non-Financial Statement, but does not include the financial statements and the auditor's report thereon or the Non-Financial Statement.

Our opinion on the individual financial statements does not cover this other information and unless explicitly stated in our report, we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements for the year ended 31 December 2022, our responsibility is to read that other information and in so doing, to evaluate whether that other information is materially inconsistent with the financial statements or with the knowledge we obtained during the audit or whether it appears to be materially misstated.

With regard to the Directors' Report, we state that those responsible for the preparation and presentation of the Directors' Report in accordance with the requirements of Order 2844/2016 approving the Accounting Rules in conformity with International Financial Reporting Standards, applicable to companies whose securities are admitted to trading on a regulated market, not contain material misstatements for that internal control that management considers necessary to enable the preparation of the Directors' Report that is free from material misstatement, whether due to fraud or error.

The administrator or another person who has the duty to manage the entity is responsible for the estimates made, which are the basis for the entries in the accounts, and for determining the nature of the economic and financial operations, according to their economic reality.

As regards the directors' report, we have read this report attached to the individual financial statements and report that it has been prepared in all significant aspects in accordance with the Order of the Minister of Public Finance No. 2844/2016, as amended, for the approval of the Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union, as amended.

Based solely on the activities required to be performed during the audit of the financial statements, in our opinion:

1. In the report of the administrator for the financial year for which the financial statements have been prepared, we have not identified financial information that is not consistent in all material respects with the information presented in the accompanying individual financial statements;

2. The Directors' Report identified was prepared in all material respects in accordance with the Order of the Minister of Public Finance No. 2844/2016, as amended, approving the Accounting Regulations in accordance with International Financial Reporting Standards as adopted by the European Union, as amended.

3. Based on our knowledge and understanding obtained during our audit of the individual financial statements for the financial year Ended 31 December 2022 in respect of the Company and its environment, we have not identified any information included in the Directors' Report that is materially misstated.

In the directors' report, we have not identified any financial information that is materially inconsistent with the information presented in the accompanying financial statements.

The directors believe that the company will continue in business for the foreseeable future, and therefore the financial statements have been prepared on a going concern basis.

In accordance with the financial statements for this financial year, the main risks and uncertainties facing the company are also presented.

The directors' report also provides information on: the company's foreseeable development, the entity's use of financial instruments, the entity's financial risk management objectives and policies and the entity's exposure to market risk, tax risk.

If the auditor identifies inconsistent, incomplete or materially misstated information, the relevant ISAs will apply and the audit report will be amended accordingly.

➤ The administration carried out a general inventory of the assets, according to decision no. 151/23.11.2022, the results of which are recorded in the accounts.

➤ ALTUR SA has accounting policies.

The company's management provided all the explanations and information requested. In addition, based on our knowledge and understanding of the company and its environment gained during the audit of the financial statements for the financial year ended 31 December 2022 we are required to report whether we have identified material misstatements in the directors' report. We have nothing to report on this matter.

### **Responsibility of management and those charged with governance for the financial statements**

**8.** The Company's management is responsible for the preparation and fair presentation of these financial statements for the year ended 31.12.2022 in accordance with IFRSs, with the Order of the Minister of Public Finance No. 2844/2016 approving the Accounting Regulations in accordance with International Financial Reporting Standards and with the accounting policies described in the notes to the financial statements, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**9** In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, where appropriate, going concern issues and using going concern basis of accounting unless management either intends to liquidate the company or cease operations or has no realistic alternative but to do so.

**10.** Those charged with governance are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibility**

**11.** Our objectives are to obtain reasonable assurance about whether the financial statements, taken as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISA will always detect a material misstatement, if one exists. Misstatements may be caused by either fraud or error and are considered material if they could reasonably be expected to affect, individually or cumulated the economic decisions of users made on the basis of these financial statements.

**12.** As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify, and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures in

response to those risks and obtain sufficient appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting a material misstatement due to error because fraud may involve secret understandings, misrepresentation, intentional omissions, misstatements and circumvention of internal control;

- We understand internal control to be relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but without the purpose of expressing an opinion on the effectiveness of the Company's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- Conclude on the appropriateness of management's use of going concern accounting and determine, based on audit evidence obtained, whether there is a material uncertainty about events or conditions that may cast significant doubt about the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if those disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to operate on a going concern basis;

- Evaluate the overall presentation, structure and content of the financial statements, including disclosures, and the extent to which the financial statements reflect underlying transactions and events in a manner that achieves fair presentation.

**13.** As part of the audit process, we communicate to those responsible for governance, among other matters, the planned scope and timing of the audit and the principal audit findings, including any significant deficiencies in internal control, that we identify during the audit.

**14.** We also provide those responsible for governance with a statement that we have complied with the relevant ethical requirements relating to independence and that we have disclosed to them all relationships and other matters that could reasonably be expected to affect our independence and, where appropriate, related safeguards.

**15.** Of the matters communicated with the persons responsible for governance, we determine which are the most important matters for the audit of the current period's financial statements and which are therefore key audit matters. We describe these matters in the auditor's report, unless laws or regulations prohibit public disclosure of the matter or unless, in extremely rare circumstances, we believe that a matter should not be disclosed in our report because the benefits to the public interest are reasonably expected to outweigh the negative consequences of disclosure.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Our responsibility is to express an opinion on the fairness of the information contained in the financial statements based on our audit.

**16.** We have assessed the overall presentation, structure and content of the financial statements, including the disclosures, and the extent to which the statements the underlying transactions and events in a manner that results in a fair presentation.

**17.** We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **Report on Other Regulatory Provisions**

### **Appointment of Auditor and Duration of Engagement**

18. We have been appointed auditors of the company by the General Meeting of Shareholders' („GMS") by resolution dated 17.01.2022 in order to audit the financial statements of ALTUR SA for the financial year ended 31.12.2021 and 31.12.2022. The total uninterrupted duration of our engagement is of 2 years, covering the financial year ending **31.12.2022**.

### **Consistent with the Supplementary Report presented to the Audit Committee**

19. At the date of issue of this audit report, the Company does not have an Audit Committee to issue a supplementary report.

### **Provision of non-audit services**

20. We declare that we have not performed for the Company any non-audit services referred to in Article 5, para. (1) of Regulation (EU) No. 537/2014. In addition, we have not provided other non-audit services for the Company.

### **Report on compliance with Commission Delegated Regulation (EU)2018/815 (the Single European Reporting Format or ESEF)**

21. We have performed a reasonable assurance engagement on the compliance with Commission Delegated Regulation (EU ) 2018/815 applicable to the financial statements included in the annual financial report of ALTUR SA (the Company) as presented in the digital files containing the unique code COD LEI 259400IHBSVL900VM346 (DIGITAL FILES).



## **Responsibility of management and those charged with governance for digital files prepared in accordance with ESEF**

22. The management of the Company is responsible for the preparation of Digital Files in accordance with ESEF. This responsibility includes:

- design, implementation and maintenance of internal control relevant to the application of the ESEF
- ensuring compliance between the Digital Files and the financial statements to be published in accordance with Order No 2844/2016 as amended

The persons in charge of governance are responsible for overseeing the compilation of Digital Files in accordance with ESEF

## **Auditor's Responsibility for the Audit of Digital Files**

23. We are responsible for expressing an opinion on the extent to which the financial statements included in the annual financial report comply with the ESEF, in all material respects, based on evidence obtained. Our reasonable assurance engagement was carried out in accordance with the International Standard on Assurance Engagements 3000 (revised) ,assurance engagements other than audits or reviews of historical financial information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement under ISAE 3000 involves performing procedures to obtain evidence of compliance with the ESEF. The nature, timing and extent of the procedures selected depend on the auditor's judgment, including the assessment of the risk of significant deviations from the provisions of the ESEF, whether caused by fraud or error.

## **Our independence and quality control**

24. We apply the International Standard on Quality Control<sup>11</sup> "Quality control for firms that perform audits and reviews of financial statements, as well as other assurance and related engagements and accordingly maintain a robust quality control system, which includes documented policies and procedures regarding compliance with ethical requirements, professional standards and legal and regulatory provisions applicable to auditors registered in Romania.

We have maintained our independence and confirm that we have complied with the ethical and independence requirements of the International Code of Ethics for Professional Accountants (including international independence standards) issued by the International Ethics Standards Board for Accountants (IESBA Code).

### **Summary of procedures carried out**

25. The objective of the procedures we planned and performed was to obtain reasonable assurance that the electronic format of the individual financial statements is prepared in all material respects in accordance with the requirements of the ESEF Regulation. In conducting our assessment of the compliance of the XHTML electronic format for reporting the company's individual financial statements with the requirements of the ESEF Regulation, we maintained our professional scepticism and applied professional judgement.

A reasonable insurance mission includes:

- obtaining an understanding of the Digital File preparation process in accordance with the ESF , including relevant internal controls
- Reconciliation of the Digital Files with the audited Financial Statements of the Company to be published in accordance with Order No 2844/2016 as amended
- assessment whether all financial statements included in the annual financial report are prepared in a valid XHTML format

We have performed additional due diligence on ALTUE's application of the ESF to the financial statements as at 31.12.2022 and found that the company uses the Single European Reporting Format ESEF in respect of the financial statements as at 31.12.2022. In order to use the single European reporting format ESEF, ALTUR SA has engaged the services of a specialised company so that for the annual financial statements as at 31.12.2022 the ESEF format is used.

We consider that the evidence obtained is sufficient and adequate to provide a basis for our conclusion. In our opinion the financial statements for the year ended December 31, 2022 included in the annual financial report and presented in the Digital Files comply in all material respects with the requirements of the ESEF.

In this section we do not express an audit opinion, audit conclusion or other assurance conclusion on the financial statements. Our audit opinion on the Company's financial statements for the year ended 31 December 2022 is included in the Independent Auditor's Report section.

### **Use of the report**

26. This report is prepared solely for the purpose of filing the Company's financial statements as of December 31, 2022 with the MFP and other bodies authorized by law.

Statutory Auditor

Saftoiu Florin

Registered in the Electronic Public Register with number AF 1026

Authorized by the Authority for Public Oversight of Statutory Audit Activity

By authorization series 116248/06.01.2020

Date:07.04.2023

On behalf of AMT Service SRL, Craiova, str. Unirii, no. 30, Dolj county, registered in the Electronic Public Register with no. FA948, authorized by the Authority for Public Supervision of the Statutory Audit Activity (ASPAAS) through the authorization series 118493 /18.03.2020.

**DECLARATION OF CONFORMITY WITH THE CORPORATE  
GOVERNANCE CODE OF THE BUCHAREST STOCK EXCHANGE**

Code provisions	Observe	He does not respect or partially respected	Reason for nonconformity
<p><b>A.1.</b> All companies must have an internal Council regulation that includes the terms of reference / responsibilities of the Council and key management functions of the company and which applies, inter alia, the General Principles of Section A.</p>	X		
<p><b>A.2</b> Provisions for managing conflicts of interest should be included in the Council Regulation. In any event, Council members must notify the Council of any conflicts of interest that have arisen or may arise and refrain from attending the discussion (including by not presenting, unless the failure to attend would hamper the formation of the quorum) and to the vote for a decision on the issue giving rise to the conflict of interest concerned.</p>	X		
<p><b>A.3.</b> The Board of Directors or the Supervisory Board must be composed of at least five members</p>	X		
<p><b>A.4.</b> Most members of the Board of Directors should not have executive functions. For Standard Category companies, at least one member of the Board of Directors should be independent. Each independent member of the Board of Directors shall make a declaration at the time of his nomination for election or re-election, and when any change of his status occurs, indicating the elements on the basis of which he is deemed to be independent in character and his judgment.</p>	X		
<p><b>A.5.</b> Other relatively permanent commitments and duties of a member of the Board, including executive and non-executive positions in the Board of Non-Profit Societies and Companies, should be disclosed to potential shareholders and investors prior to nomination and during their term of office.</p>	X		
<p><b>A.6.</b> Any member of the Council must report to the Council on any report with a shareholder who holds directly or indirectly shares representing more than 5% of all voting rights. This obligation refers to any report that may affect the member's position on</p>	X		

matters decided by the Council.refers to any report that may affect the member's position on matters decided by the Council.			
<b>A.7.</b> The Society shall designate a Council Secretary responsible for supporting the work of the Council.	X		
<b>A.8.</b> The Corporate Governance Statement will inform whether an evaluation of the Council has taken place under the chairmanship of the President or the nomination committee and, if so, summarize the key measures and the resulting changes. The company must have a policy / guidance on the Council's assessment of the scope, criteria and frequency of the evaluation process.		X	CA activity is assessed annually on the basis of economic and financial indicators and is presented in the annual report. After approving the annual report, the AGM approves the discharge of the administrators. The AGM decision is published on the company's website -
<b>A.9.</b> The corporate governance statement should contain information on the number of Council and committee meetings over the past year, the participation of administrators (in person and in absence) and a report by the Council and committees on their activities.		X	During 2022 CA met 12 times. The company will start the procedure for the implementation of the audit committee in the immediate period.
<b>A.10</b> The corporate governance statement should include information on the exact number of independent members of the Board of Directors or the Supervisory Board.		X	On the company's website are published the OGMS decisions through which the members of the Board of Directors were elected.
<b>A.11</b> The Board of Premium Companies must establish a nomination committee composed of non-executive members, who will lead the process of nomination of new members in the Council and make recommendations to the Council. Most members of the nomination committee must be independent.		X	This is not the case, the company being listed in the Standard category
<b>B.1</b> The Board should set up an audit committee in which at least one member should be a Non-Executive Independent Administrator. Most members, including the president, must have shown that they have appropriate qualifications relevant to the functions and responsibilities of the Committee. At least one member of the audit committee must have proven and appropriate audit or accounting experience. The audit committee must be composed of at least three members and the majority of the members of the audit committee must be independent.		X	The company will start the procedure for the implementation of the audit committee in the immediate period.
<b>B.2</b> The chairman of the audit committee shall be an independent non-executive member.		X	We don't have an audit committee.
<b>B.3</b> As part of its responsibilities, the audit committee must carry out an annual assessment of		X	We don't have an audit committee.

the internal control system.			
<b>B.4</b> The assessment shall take into account the effectiveness and coverage of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Council's audit committee, the promptness and effectiveness with which executive management addresses the deficiencies or weaknesses identified following internal control and the submission of relevant reports to the Council's attention.		X	We don't have an audit committee.
<b>B.5</b> The audit committee should assess the conflicts of interest in relation to the transactions of the company and its subsidiaries with affiliated parties		X	We don't have an audit committee.
<b>B.6</b> The audit committee must assess the effectiveness of the internal control system and the risk management system.		X	We don't have an audit committee.
<b>B.7</b> The Audit Committee should monitor the application of generally accepted legal standards and internal audit standards. The Audit Committee should receive and evaluate internal audit team reports.		X	We don't have an audit committee.
<b>B.8</b> Whenever the Code mentions reports or analyzes initiated by the Audit Committee, they must be followed by periodic reports (at least annually) or ad hoc reports to be submitted to the Council.		X	We don't have an audit committee.
<b>B.9</b> No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered into by the company with shareholders and their affiliates.	X		
<b>B.10</b> The Council should adopt a policy to ensure that any transaction of the company with any of the companies with which it has close relationships whose value is equal to or greater than 5% of the net assets of the company (according to the latest report financial statement) is approved by the Council following a binding opinion of the Board's Audit Committee and properly disclosed to shareholders and potential investors to the extent that such transactions fall within the category of events subject to the reporting requirements.		X	We don't have an audit committee.
<b>B.11</b> Internal audits should be performed by a separate structural division (internal audit department) within the company or by hiring an independent third party.		X	We don't have an audit committee.
<b>B.12</b> In order to ensure the main functions of the internal audit department, it must report			We don't have an audit committee.

functionally to the Council through the audit committee. For administrative purposes and within the management's responsibility to monitor and mitigate risks, it must report directly to the Director General.		X	
<b>C.1</b> The company must publish the remuneration policy on its website and include a statement on the implementation of the remuneration policy in the annual report during the annual period under review.	X		
<b>D.1</b> The company must organize an Investor Relations Service - indicating to the general public the responsible persons or the organizational unit. In addition to the information required by law, the company must include on its website a section dedicated to Investor Relations, in Romanian and English, with all relevant information of interest to investors, including:		Partially	A person who manages the relationship with investors is appointed. On the company's website there is the Communiqués section where investor information is included
D.1.1 Main corporate regulations: the articles of association, the procedures for general shareholders' meetings;	X		
D.1.2 Professional CVs of members of the governing bodies of the company, other professional engagements of Council members, including executive and non-executive positions in boards of directors in companies or non-profit institutions;		X	We are going to take steps to comply with the BVB Code
D.1.3 Current reports and periodic reports (quarterly, semester and annual) - at least those under D.8 - including current reports with detailed information on non-compliance with this Code;	X		
D.1.4 Information on general shareholders' meetings: agenda and information materials; the procedure for electing the members of the Council; the arguments supporting the nomination of candidates for election to the Council, together with their professional resumes; shareholders' questions about the items on the agenda and the company's replies, including the decisions taken;	X		
D.1.5 Corporate events information, such as the payment of dividends and other distributions to shareholders, or other events that lead to the acquisition or limitation of the rights of a shareholder, including deadlines and the principles applied to such operations. Such information will be published within a timeframe that will allow investors to make investment decisions;	X		
D.1.6 Name and contact details of a person who will be able to provide relevant information upon request.	X		

D.1.7 Company presentations (eg, investor presentations, quarterly results, etc.), financial statements (quarterly, semestrial, annual), audit reports and annual reports.	X		
<b>D.2</b> The Company will have a policy on the annual distribution of dividends or other benefits to shareholders proposed by the Director General or the Directorate and adopted by the Council in the form of a set of guidelines the company intends to follow regarding the distribution of profits net. The principles of the annual distribution policy to shareholders will be published on the company's website.		X	The company has not distributed dividends over the last 3 years..
<b>D.3</b> Society will adopt a policy on predictions, whether they are made public or not. The forecasts refer to quantified conclusions of studies aimed at determining the overall impact of a number of factors over a future period (the so-called assumptions): by its nature, this projection has a high level of uncertainty, the actual results may differ materially from forecasts originally presented. The forecasting policy will determine the frequency, timing and content of the forecasts. If published, the forecasts can only be included in the annual, half-yearly or quarterly reports. The forecasting policy will be published on the company's website.	X		We have not yet implemented a forecasting policy. Forecasts are provided annually through the Revenue and Expenditure Budget and the Investment and Modernization Plan.
<b>D.4</b> The rules of general shareholders' meetings should not limit shareholders' participation in general meetings and the exercise of their rights. Changes to the rules will take effect at the earliest, starting with the next shareholders' meeting.	X		
<b>D.5</b> External auditors will be present at the shareholders' general meeting when their reports are presented at these meetings.	X		
<b>D.6</b> The Board will give a brief assessment to the Annual General Meeting of Shareholders on the internal control and risk management systems as well as opinions on matters subject to the decision of the general meeting.	X		
<b>D.7</b> Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting on the basis of a prior invitation from the Board. Accredited journalists can also pause	X		
<b>D.8</b> Quarterly and half-yearly financial reports will include both Romanian and English information on key factors influencing changes in sales, operating profit, net profit and other relevant financial ratios, from a quarter to another, and to one year to another.	X		



<p><b>D.9</b> A company will hold at least two meetings / teleconferences with analysts and investors each year. The information presented on these occasions will be published in the Investor Relations section of the company's website at the dates of the meetings / teleconferences.</p>		X	<p>Information on corporate governance, regular and ongoing reports to the regulated market and published on the company's web site ensured a high degree of transparency and allowed investors to make informed decisions on concrete and complete data.</p>
<p><b>D.10</b> Where a society supports different forms of artistic and cultural expression, sporting activities, educational or scientific activities and considers that their impact on the innovative character and the competitiveness of society is part of its mission and development strategy, it will publish the policy with of its activity in this field. caracterului inovator și competitivității societății fac parte din misiunea și strategia sa de dezvoltare, va publica politica cu privire la activitatea sa in acest domeniu.</p>		X	<p>Society does not have a policy of supporting various forms of artistic and cultural expression, sporting activities, educational or scientific activities.</p>

***Chairman of the Board of Directors,  
Dipl. Eng. Nițu Rizea Gheorghe***

Red. R.O



## **ALTUR S.A. Slatina**

RC J/28/131/1991, CUI: RO 1520249, SIRUES 281092373, SICOMEX 37122  
CONT RO95 RZBR 0000 0600 0286 9301, RAIFFEISEN BANK AG. OLT  
SLATINA, str. PITEȘTI, Nr. 114, 230104,  
jud. OLT, ROMANIA  
Tel. 0249/436834  
Fax. 0249/436037



## **REMUNERATION REPORT for 2022**

*Drawn up in accordance with the provisions of art.107 of the Law no.24/2017  
republished on issuers of financial instruments  
and financial operations*

The remuneration report for the directors and executive directors of the company, drawn up in accordance with the Company's Remuneration Policy, aims to present a clear and objective picture of the remuneration and/or benefits granted by the company to its directors during the financial year 2022.

The remuneration report is drawn up in accordance with the provisions of law no. 24/2017 on issuers of financial instruments and market operations, republished, with subsequent amendments and completions, and will be submitted to the vote at the Ordinary General Meeting of Shareholders on 26/27.04.2023. The opinion of the shareholders of the General Meeting regarding the remuneration report, resulting from the vote, has an advisory character. Once approved, the Report is published on the company's website and can be consulted for a period of 10 years. The administrators and directors of ALTUR SA ensured in 2022 the efficient management and management of the company, fulfilling all the necessary documents, in accordance with the applicable legal framework.

### ***The structure of the remuneration of the members of the Board of Directors in 2022***

The Board of Directors is responsible for carrying out all necessary measures, both for the conduct of the company's business and for its supervision.

The company is managed by a Board of Directors consisting of 5 (five) members appointed by the General Meeting of Shareholders for a term of office of 4 years, of which one member is chairman of the Board of Directors. The powers of the Board of Directors are set out in the Articles of Incorporation of the company as well as in the general and special legal provisions applicable.

During 2022 there were no changes in the composition of the Board of Directors, which was composed of:

No. Crt.	Name and Surname	Function	Date of commencement of mandate	Date of termination of office
1.	Rizea Gheorghe NIȚU	CA President	28.04.2020	28.04.2024
2.	Bogdan JURAVLE	CA Member	28.04.2020	28.04.2024
3.	Adrian ANDRICI	CA Member	28.04.2020	28.04.2024
4.	Ionel Olimpiu BLĂJUȚ	CA Member	28.04.2020	28.04.2024
5.	Grigore CHIȘ	CA Member	28.04.2020	28.04.2024

For the work carried out within the Board of Directors, each administrator is entitled to a fixed monthly remuneration the amount of which is approved by the OGMS upon appointment and subsequently, annually, once the revenue and expenditure budget is approved.

In 2022, there were no increases in the fixed remunerations of the members of the Board of Directors.

***The fixed monthly net allowance approved by the OGMS for 2022 is 3,000 lei net monthly, for each member of the Board of Directors.***

The total gross remuneration for all the members of the Board of Directors for 2022 was 307,680 lei. The net fixed remuneration granted to all the members of the Board of Directors in 2022 was 180,000 lei.

In 2022, the members of the Board of Directors haven't received a variable component allowance or other benefits, therefore the total monthly remuneration is equal to the fixed remuneration.

### ***The structure of the remuneration of the Executive Directors in 2022.***

The executive management of ALTUR SA consists of 3 (three) executive directors of which, one with a mandate contract and two with an individual employment contract.

The executive leadership in 2022 was made up of:

1. Sergiu Burcă – General Manager, with mandate contract
2. Valerica Taclit – Production Director
3. Mihai Alecu – Technical Director

For the activity carried out, the General Director benefits:

– a fixed monthly remuneration, based on the mandate contract, established by the Board of Directors.

– of non- financial benefits, as follows: company car, computer technology, telephone.

The total gross remuneration granted to the General Manager of the company for 2022 was 615,384 lei. According to the Mandate Agreement, the total net fixed remuneration granted to the General Director for 2022 was of 360,000 lei.

In 2022, the General Manager did not benefit from a variable component allowance.

For the activity carried out, the Production Director and the Technical Director benefit from:

- a fixed monthly remuneration, based on the individual employment contract
- the provisions of the Collective Labour Agreement at the level of the company
- the working tools necessary for carrying out the activity (laptop, phone).

The total gross remuneration granted to the executive directors with an individual employment contract for 2022 was 373,187 lei. The total fixed net remuneration granted to executive directors with an individual employment contract for 2022 was 217,757 lei.

In 2022, the executive directors with an individual employment contract did not receive a variable allowance or other benefits.

Remuneration policy, mandate contract and individual employment contracts with executive directors do not provide for clauses on benefits related to supplementary pension schemes, nor on the period of deferral or recovery of variable remuneration.

ALTUR SA makes payments on behalf of the administrators and executive directors to the public pension system of the state, in accordance with the relevant legal provisions.

With the exception of participation in the public pension system and, implicitly, in pillar II of the pension system, the Administrators and Executive Directors do not benefit from contributions to the optional pension schemes paid by ALTUR SA

***Compliance with the remuneration policy.***

There were no deviations from the remuneration policy regarding the remuneration of the members of the Board of Directors and the Directors of the company in the year 2022.

PRESIDENT  
of the Board of Directors  
Ing. Rizea Gheorghe NIȚU

COUNTY *OLT*  
 UNIT *S.C. ALTUR S.A*  
 ADDRESS loc. *Slatina*,  
 Str. *Pitești*, nr. 114  
 TELEPHONE 436035 FAX 436037  
 ORDER NUMBER IN THE TRADE  
 REGISTER *J28/131/91*  
 TAX CODE *\_\_\_/1/5/2/0/2/4/9/*

FORM OF OWNERSHIP *\_\_\_/3/4/*  
 PREPONDERANCE ACTIVITY  
 (class name CAEN)  
 CLASS CODE CAEN *\_\_\_2/9/3/2/*  
 UNIQUE REGISTRATION CODE 1520249

**SITUATION OF ASSETS, LIABILITIES AND EQUITY**  
 On 31 DECEMBER 2022

- RON -

	No row.	Balance at 31.12.2021	Balance at 31.12.2022
<b>A. IMMOBILIZED ASSETS</b>			
<b>I. INTANGIBLE ASSETS</b>			
1. Development expenditure ( acc.203-2803-2903)	01	-	-
2. Concessions, patents, licenses, trademarks, rights and similar values and other intangible assets (acc. 205+208-2805-2808-2905-2906-2908)	02	66,389	28,790
3. Commercial Fund (acc. 2071)	03	-	-
4. Advances (acc.409.4)	04		
5. Intangible assets for exploitation and assessment of mineral resources (acc. 206-2806-2907)	05		
<b>TOTAL (row. 01 la 05)</b>	06	66,389	28,790
<b>II. BODILY IMMOBILIZERS</b>			
1. Land and construction (acc. 211+212-2811-2812-2911-2912)	07	46,307,854	44,460,887
2. Machinery and equipment (acc. 213+223-2813-2913)	08	18,836,213	14,374,587
3. Other installations, machinery and furniture (acc.214+224-2814-2914)	09	84,667	100,750
4. Real Estate Investments (acc. 215-2815-2915)	10	1,006,303	981,092
5. Tangible assets in the process of execution (acc. 231-2931)	11	443,035	1,568,246
6. Real estate investments in the course of execution (acc.235-2935)	12	-	-
7. Tangible assets of exploitation and assessment of mineral resources (acc. 216-2816-2916)	13		
8. Advances (acc.409.3)	14	72,320	335,410
<b>TOTAL (row. 07 la 14)</b>	15	66,750,392	61,820,972
<b>III. BIOLOGICAL ASSETS (acc.241-284-294)</b>	16		
<b>IV. RIGHTS TO USE THE LEASED ASSETS (acc.251-285-295)</b>	17	2,964,027	2,488,493
<b>V. FINANCIAL IMMOBILIZERS</b>			
1. Shares held in subsidiaries (acc. 261 - 2961)	18	-	-
2. Loans to group entities (acc.2671+2672-2964)	19	-	-
3. Shares owned by associated entities and jointly controlled entities (acc. 262+263-2962)	20	-	-
4. Loans granted to associated entities and jointly controlled entities (acc.2673+2674-2965)	21	-	-
5. Other restryed titles (acct. 265+266-2963)	22	-	-
6. Other loans (acc. 2675+2676+2678+2679-2966-2968)	23	-	-
<b>TOTAL (row. 18 la 23)</b>	24	-	-

<b>IMMOBILIZED ASSETS – TOTAL (row. 06+15+16+17+24)</b>	25	69,780,808	64,338,255
<b>B. CIRCULATING ASSETS</b>			
<b>I. STOCKS</b>			
1. Raw materials and consumables (acc.301+302+303+ +/- 308+321+322+323+328 +351+358+381+/-388-391-392-3951-3958-398)	26	2,713,391	2,144,435
2. Immobilized assets owned for sale (acc.311)	27	-	-
3. Production in progress (acc. 331+341+/-348 -393-3941-3952)	28	2,736,825	3,571,725
4. Finished products and Commodities (acc.327+345+346+347 +/-348+354+357+371+/-378-3945-3946-3953-3954-3957-397-4428)	29	10,775,754	15,724,994
5. Advances (acc. 4091)	30	566,048	3,634,357
<b>TOTAL (row. 26 at 30)</b>	31	16,792,018	25,075,511
<b>II. CLAIMS</b> (The amounts to be cased after a period of more than one year shall be presented separately for each item.)			
1. Commercial Receivables (acc. 2675+2676+2678+2679-2966-2968 + 411+ 413 + 418 - 491)	32	12,990,084	16,194,656
2. Paid advances (acc. 4092)	33		
3. Amounts receivable from group entities (acc. 451 – 495)	34	-	-
4. Amounts receivable from associated entities and jointly controlled entities (acc. 453 – 495)	35	-	-
5. Claims resulting from operated with derivative instruments (acc.4652)	36	-	-
6. Other claims (acc.425+4282+431+437+4382+441+4424+4428 +444+445+446+447+4482+4582+461+473-496+5187)	37	6,165,804	6,511,824
7. Subscribed and unposted Capital (acc. 456-495)	38		
<b>TOTAL (row. 32 at 38)</b>	39	19,155,888	22,706,480
<b>III. SHORT-TERM INVESTMENTS</b> (acc. 505+506+508-595-596-598+5113+5114)	40	2,604	-
<b>IV. HOUSE AND BANK ACCOUNTS</b> (acc.5112+512+531+532+541+542)	41	89,267	58,266
<b>CIRCULATING ASSETS – TOTAL (row. 31+39+40+41 )</b>	42	36,039,777	47,840,257
<b>C. EXPENSE IN ADVANCE (acc.471) (row. 44 + 45)</b>	43	58,142	113,723
Amounts to resume in a period of up to one year (from acc.471)	44	58,142	113,723
Amounts to resume over a period of more than one year (from acc.471)	45		
<b>D. LIABILITIES: AMOUNTS TO BE PAID OVER A PERIOD OF UP TO ONE YEAR</b>			
1. Loans from bond issues, presenting themselves separate loans from the bond issue convertible (acc. 161+1681-169)	46		
2. Amounts due to credit institutions (acc.1621+1622+ +1624+1625+1627+1682+5191+5192+5198)	47	21,581,112	20,005,918
3. Advances received in order account (acc.419)	48	1,332,603	-
4. Commercial liabilities-Suppliers (acc. 401+404+408)	49	20,534,923	16,205,699
5. Trade effects payable (acc.403+405)	50		
6. Amounts due to group entities (acc.1661+1685+2691+451)	51	-	-
7. Amounts due to associated entities and jointly controlled entities (acc. 1663+1686+2692+453)	52	-	-
9. Liabilities resulting from derivative operations (acc465)	53	-	-

10. Other liabilities including tax liabilities and other liabilities relating to social security (acc.1623+1626+167+1687+2963+ +421+422+423+424+426+427+4281+431+437+4381+441+ +4423+4428+444+446+447+4481+455+456+457+4581+ +462+473+509 +5186+5193+5194+5195+5196+5197)	54	7,385,016	9,682,481
<b>TOTAL (row. 45 la 54)</b>	55	50,833,654	45,894,098
<b>E. NET CIRCULATING ASSETS, RESPECTIVELY NET CURRENT LIABILITIES (row.42+44-55-73-76-79 )</b>	56	(15,137,568 )	2,059,882
<b>F. TOTAL ASSETS MINUS CURRENT DEBTS (row. 24 + 56)</b>	57	54,643,240	66,398,137
<b>G. LIABILITIES: AMOUNTS TO BE PAID OVER A PERIOD OF MORE THAN ONE YEAR</b>			
1. Loans from the bond issue, presenting separate loans from the issue of convertible bonds (acc.161+1681-169)	58		10,224,101
2. Amounts due to credit institutions (acc. 1621+1622 + +1624+1625+1627+1682+5191+5192+5198)	59	607,483	–
3. Advances received in order account (acc. 419)	60		
4. Commercial liabilities-Suppliers (acc. 401+404+408+4641)	61	-	-
5. Trade effects payable (acc. 403+405)	62		
6. Amounts due to group entities (acc.1661+1685+2691+451)	63		
7. Amounts due to associated entities and jointly controlled entities (acc. 1663+1686+2692+453)	64		
8. Liabilities resulting from derivative operations (acc465)	65		
9. Other liabilities including tax liabilities and other liabilities relating to social security (acc.1623+1626+167+1687+2963+ +421+423+424+426+427+4281+431+437+4381+441+ +4423+4428+444+446+447+4481+455+456+457+4581+ +462+473+509 +5186+5193+5194+5195+5196+5197)	66	2,591,393	1,917,349
<b>TOTAL (row. 58 la 66)</b>	67	3,198,876	12,141,450
<b>H. PROVISIONS</b>			
1. Provisions for Employee benefits (acc. 1517)	68		
2. Other provisions (acc.1511+1512+1513+1514+1518)	69	803,516	963,269
<b>TOTAL PROVISIONS (row. 68 + 69)</b>	70	803,516	963,269
<b>I. INCOME IN ADVANCE</b>	71		
1. Subsidies for investments (acc. 475) (row.73 + 74)	72	401,833	–
Amounts to resume in a period of up to one year (from acc.475)	73	401,833	–
Amounts to resume over a period of more than one year (from acc.475)	74	–	–
2. Income registered in advance (acc.472) – total (row.76+77):	75	–	–
Amounts to resume in a period of up to one year (acc.472)	76		
Amounts to resume over a period of more than one year (acc.472)	77		
3. Advance income related to assets received by transfer from clients (acc. 478) (row. 79 + 80)	78	–	–
Amounts to resume in a period of up to one year (from acc.478)	79		
Amounts to resume over a period of more than one year (from acc.478)	80		
<b>TOTAL (row. 72+75+78)</b>	81	401,833	–
<b>J. CAPITAL AND RESERVES</b>			
<b>I. CAPITAL</b>			
1. Subscribed Capital Shed (acc. 1012)	82	82,438,834	30,604,867

2. Unsalted subscribed Capital (acc. 1011)		83		
3. Subscribed Capital representing financial liabilities (acc.1027)		84		
4. Social capital Adjustments (acc.1028)	SOLD C	85	-	-
	SOLD D	86		
5. Other equity items (acc.103)	SOLD C	87		
	SOLD D	88	2,236,271	2,236,271
<b>TOTAL (row.82+83+84+85-86+87-88)</b>		89	80,202,563	28,368,596
<b>II. CAPITAL PREMIUMS (acc.104)</b>		90	1,135,150	1,135,150
<b>III. REVALUATION RESERVES (acc.105)</b>		91	43,881,846	43,881,846
<b>IV. RESERVES</b>				
1. Legal Reserves (acc. 1061)		92	749,345	873,291
2. Statutory or contractual reserves (acc. 1063)		93	-	-
3. Other Reserves (acc. 1068)		94	1,260,475	1,260,475
TOTAL (row.92 at 94)		95	2,009,820	2,133,766
Exchange rate differences in the conversion of individual annual financial statements into a currency of presentation different from the functional currency (acc.1072)		96		
	SOLD C			
	SOLD D	97		
Own actions (acc. 109)		98	4,293	4,293
Gains related to equity instruments (acc.141)		99		
Losses related to equity instruments (acc.149)		100		
<b>V. THE RETAINED EARNINGS, WITH THE EXCEPTION OF THE RETAINED EARNINGS FROM THE FIRST-TIME ADOPTION OF IAS 29 (acc. 117)</b>	Sold C	101	-	-
	Sold D	102	69,565,898	24,576,614
<b>VI. RETAINED EARNINGS DERIVED FROM THE FIRST ADOPTION OF IAS 29 (acc. 118)</b>	Sold C	103		
	Sold D	104	-	-
<b>VII. PROFIT OR LOSS AT SFAR-SITE OF REPORTING PERIOD (acc. 121)</b>	Sold C	105	-	2,478,913
	Sold D	106	7,018,340	-
Profit allocation (acc. 129)		107	-	123,946
<b>EQUITY - TOTAL</b> (row.89+90+91+95+96-97-98+99-100+101-102+103-104+105-106-107)		108	50,640,848	53,293,418
Public patrimony (acc. 1026)		109		
<b>TOTAL CAPITAL (row. 108+109)</b>		110	50,640,848	53,293,418

*Chairman of the Board of Directors*  
*Nițu Rizea Gheorghe*

**General Director**  
Ec. Burcă Sergiu

**Chief Financial Officer**  
Ec. Preduț Vasile Cornel



**STATEMENT OF REVENUE AND EXPENDITURE**  
on 31 DECEMBER 2022

Indicator name	Nr Row	Achieved on 31.12.2021	Achieved on 31.12.2022
1 Net turnover (row. 02+03-04+05)	01	93,553,310	135,248,550
Sold Production (acc. 701+702+703+704+705+706+708 - 6815)	02	93,928,321	135,405,613
Income from sale of goods (acc. 707 - 6815)	03	95,531	34,478
Commercial discounts granted (acc. 709)	04	470,542	191,541
Revenue from operating grants related to net turnover (acc. 7411)	05	-	-
2. Income from the cost of inventories of products (acc. 711+712+713)	Sold C	240,168	4,847,610
	Sold D	-	-
3. Income from the production of real estate and investment property (row.09+10)	08	980,889	285,492
4. Income from the production of intangible and tangible assets (acc. 721+722)	09	980,889	285,492
5. Income from real estate investment production (acc.725)	10	-	-
6. Income from fixed assets (or disposal groups) held for sale (acc.753)	11	-	-
7. Income from the revaluation of intangible and tangible assets (acc.755)	12	-	-
8. Revenue from real estate investments (acc.756)	13	-	-
9. Income from biological assets and agricultural products (acc.757)	14	-	-
10. Income from operating grants in case of calamities and similar events (acc.7412+7413+7414+7415+7416+7417+7419)	15	-	-
11. Other operating revenues (acc.758+751), of which:	16	1,255,554	1,126,243
- income from investment subsidies (acc.7584)	17	710,026	401,833
- earnings from purchases in advantageous conditions	18	-	-
<b>OPERATING REVENUE – TOTAL</b> (row. 01+06-07+08+11+12+13+14+15+16)	19	96,029,921	141,507,895
12.a) Expenditure on raw materials and consumables (acc. 601+602)	20	50,101,275	82,634,662
Other material expenses (acc. 603+604+606+608)	21	1,276,728	808,686
b) Other external costs (energy and water) (acc.605)	22	12,023,528	12,658,188
c) Expenditure on goods (acc. 607)	23	95,531	11,308
Trade discounts received (acc. 609)	24	-	-
13. Staff costs (rd. 26+27)	25	25,155,676	25,916,398
a) Salaries and allowances (acc. 641+621+642+643+644-7414)	26	24,629,681	25,377,102
b) Expenditure on insurance and social protection (acc.645+646)	27	525,995	539,296
14.a) Value adjustments on intangible assets, plant and equipment, investment property and biological assets measured at cost (29+30-31)	28	6,366,459	6,869,762
a.1) Costs (acc. 6811+6813+6816+6817+from acc.6818)	29	5,410,943	6,455,473
a.2) Depreciation expense on assets af. rights of use of leased assets (acc.685)	30	955,516	414,289
a.3) Income (acc. 7813+7816+from acc.7818)	31	-	-
b) Value adjustments for current assets (row. 33 – 34)	32	(987,634)	(87,955)
b.1) Costs (acc.654+6814+from acc.6818)	33	219,005	-
b.2) Income (acc. 754+7814+from acc.7818)	34	1,206,639	87,955
15. Other operating expenses (row.36 at 44)	35	7,145,696	7,509,506
15.1) Expenditure on external benefits (acc.611+612+613+614+	36	5,355,351	4,720,388

+615+622+623+624+625+626+627+628)			
15.2) Expenses with other taxes, fees and similar charges (acc.635)	37	783,823	866,393
15.3 )Expenditure on environmental protection (acc.652)	38	288,971	149,269
15.4) Expenses related to fixed assets (or disposal groups) held for sale acc.653)	39	-	-
15.5) Expenses from revaluation of intangible and tangible assets (acc.655)	40	-	-
15.6) Expenditure on real estate investments (acc. 656)	41	-	-
15.7) Expenditure on biological assets and agricultural products (657)	42	-	-
15.8) Expenditure on calamities and other similar events (acc.6587)	43	-	-
15.9) Other expenses (acc. 651+6581+6582+6583+6584+6585+6588)	44	718,302	1,773,456
16. Adjustments on provisions (row.46 – 47)	45	700,382	159,753
Costs (acc. 6812)	46	803,516	963,269
Income (acc. 7812)	47	103,134	803,516
<b>OPERATING EXPENDITURE – TOTAL</b> (row. 20 at 23-24+25+28+32+35+45)	48	101,878,392	136,480,308
<b>RESULTS FROM OPERATION:</b>			
- Profit (rd. 19- 48)	49	-	5,027,587
- Loss (rd. 48-19)	50	5,848,471	-
17. Income from shares held in subsidiaries (acc.7611)	51	-	-
18. Income from shares held in associated entities (acc.7612)	52		
19. Income from shares held by associated entities and jointly controlled entities (acc. 7613)	53	-	-
20. Income from operations with securities and other financial instruments (acc.762)	54	-	-
21. Income from operations with derivatives (acc. 763)	55	-	-
22. Income from exchange rate fluctuations (acc.765)	56	422,279	906,395
23. Interest income (acc.766)	57	3	238
- of which, the income earned from entities in the group	58	-	-
24. Income from operating subsidies for interest due (acc.741.8)	59		
25. Short-term financial investment income (acc.7614)	60		
26. Other incomes (acc. 7615+764+767+768)	61	4,174	75,001
<b>FINANCIAL INCOME - TOTAL</b> (row.51+52+53+54+55+56+57+59+60+61)	62	426,454	981,634
27. Value adjustments for financial assets and financial investments held as current assets (row.64-65)	63	(7,936)	(1,201,659)
Expenditure (acc.686)	64	-	-
Income (acc. 786)	65	7,936	1,201,659
28. Expenditure on operations in securities and other financial instruments (acc.661)	66	-	-
29. Expenditure on derivative operations (acc.662)	67	-	-
30. Interest charges (acc.666)	68	670,537	2,217,899
- of which, the income earned from entities in the group	69	-	-
31. Interest expenses related to leasing contracts (acc.6685)	70	100,118	78,442
32. Other financial expenses (acc.663+664+665+667+6681+6682+6688)	71	887,186	2,489,206
<b>FINANCIAL EXPENDITURE – TOTAL</b> (row. 63+66+67+68+70+71)	72	1,649,905	3,583,888
<b>PROFIT OR FINANCIAL LOSS):</b>			
- Profit (row. 62-72)	73	-	-

- Loss(row. 72-62)	74	1,223,449	2,602,254
<b>TOTAL INCOME</b> (row. 19+62)	75	96,456,377	142,489,529
<b>TOTAL EXPENSES</b> (rd. 48+72)	76	103,528,297	140,064,196
<b>33. GROSS PROFIT OR LOSS</b>			
- Profit (row. 75-76)	77	-	2,425,333
-Loss (row. 76-75)	78	7,071,920	-
34. Current income tax (acc. 691)	79	-	-
35. Profit tax deferred (acc. 692)	80	-	-
36. Income from deferred tax (acc. 792)	81	53,580	53,580
37. Corporate tax expense caused by uncertainties related to tax treatments (acc.693)	82		
39. Other taxes not shown in the above items (acc.698)	84	-	-
<b>40. THE PROFIT OR LOSS OF THE REPORTING PERIOD:</b>			
- Profit (row.77-79-80+81-82-83-84)	85	-	2,478,913
- Loss (row.78+79+80-81+82+83+84); (row.79+80+82+83+84 - 81-77)	86	7,018,340	-

*Chairman of the Board of Directors*  
*Nițu Rizea Gheorghe*

**General Director**  
Ec. Burcă Sergiu

**Chief Financial Officer**  
Ec. Preduț Vasile Cornel

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# ALTUR S.A.

## FINANCIAL STATEMENTS

AS AT 31 DECEMBER 2022

Prepared in accordance with the Order of the Ministry of  
Public Finance 2844/2016 for the approval of accounting  
regulations in accordance with International Financial  
Reporting Standards

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**ALTUR S.A.**  
**FINANCIAL STATEMENTS - OMFP 2844/2016**  
**FOR THE PERIOD JANUARY 1 - DECEMBER 31, 2022**  
**(AMOUNTS ARE EXPRESSED IN RON, UNLESS OTHERWISE STATED)**

**Profit and loss account for the period from January 1 to December 31, 2022**

	Note	The year ended at December 31, 2021 <u>RON</u>	The year ended at December 31, 2022 <u>RON</u>
Sale of goods	5.1	93,368,600	135,112,971
Service provision	5.2	79	4,780
Rental income	5.3	184,631	130,799
<b>Turnover</b>		<b>93,553,310</b>	<b>135,248,550</b>
Other operating revenues	6	1,255,554	1,126,243
Changes in stocks of finished goods and production in progress		1,221,057	5,133,102
<b>TOTAL OPERATING INCOME</b>		<b>96,029,921</b>	<b>141.507.885</b>
Expenditure on raw materials and consumables used		51,473,534	83.454.656
Employee Benefits Expenditures	7	25,155,676	25.916.398
Expenses with amortization of fixed assets	11,12	6,366,459	6.869.762
Value adjustments on current assets		(987,634)	(87.955)
Adjustments to provisions		700,382	159.753
Utilities expenses		12,023,528	12.658.188
Other expenses	8	7,146,447	7.509.506
<b>TOTAL OPERATING CHARGES</b>		<b>101,878,392</b>	<b>136.480.308</b>
<b>PROFIT/(OPERATING LOSS)</b>		<b>(5,848,471)</b>	<b>5.027.587</b>
Financial income	9	426,456	981.634
Financial costs	9	1,649,905	3.583.888
<b>FINANCIAL PROFIT/(LOSS)</b>		<b>(1,223,449)</b>	<b>(2.602.254)</b>
<b>TOTAL REVENUE</b>		<b>96,456,377</b>	<b>142.489.529</b>
<b>TOTAL EXPENDITURE</b>		<b>103,528,297</b>	<b>140.064.196</b>
<b>GROSS PROFIT/LOSS(A)</b>		<b>(7,071,920)</b>	<b>2,425,333</b>
Income tax expense	10	-	-
Income from profit tax deferred		53,580	53,580
<b>PROFIT/LOSS()FINANCIAL YEAR</b>		<b>(7,018,340)</b>	<b>2,478,913</b>

The financial statements from page 1 to page 50 were approved by the Board of Directors and were authorized to be issued on 22.03.2023.

Chairman of the Board of Directors  
 Ing. Nitu Rizea Gheorghe

General Manager  
 Ec. Burca Sergiu

Chief Financial Officer  
 Ec. Predut Vasile Cornel

**ALTUR S.A.**  
**FINANCIAL STATEMENTS - OMFP 2844/2016**  
**FOR THE PERIOD JANUARY 1 - DECEMBER 31, 2022**  
**(AMOUNTS ARE EXPRESSED IN RON, UNLESS OTHERWISE STATED)**

**Situation of the financial position**

As of 31 December 2022

	Note	December 31 2021 RON	December 31 2022 RON
<b>ASSETS</b>			
Intangible assets	12	66,389	28.790
Property, plant and equipment	11	66,750,392	61.820.972
Securities measured at fair value through profit and loss	13.1	-	-
Rights of use of assets in leasing	14.2	2,964,027	2.488.493
<b>Current assets</b>			
Stocks	15	16,792,018	25.075.511
Commercial and similar receivables	16	19,155,888	22.706.480
Expenses recorded in advance		58,142	113.723
Cash and short-term deposits		91,871	58.266
<b>Total assets</b>		<b>105,878,727</b>	<b>112,292,235</b>
<b>EQUITY AND DEBTS</b>			
<b>Equity</b>			
Total Share capital, of which:	18	<b>82,434,541</b>	<b>30.604.867</b>
- Subscribed capital		82,434,541	30.604.867
- Adjustments of the share capital		-	-
Equity premiums	18	(1,101,122)	(1.101.122)
Legal reserve and other capital reserves		2,251,887	2.375.833
Revaluation reserves	11	43,881,846	43.881.846
Retained earnings		(76,826,304)	(22.468.006)
<b>Total equity</b>		<b>50,640,848</b>	<b>53.293.418</b>
<b>Long-term debts</b>			
Datorii pe termen lung	14	2,052,835	824.888
Subsidies	19	401,833	10.224.101
Debts in respect of deferred taxes	10	1,146,041	-
Provisions	7	803,516	1.092.461
<b>Current liabilities</b>			963.269
Commercial and similar debts	20	29,252,542	
Loans and loans bearing interest	14	21,581,112	25.888.180
Income tax payment	10		20.005.918
<b>Total equity and debts</b>		<b>105,878,727</b>	<b>112,292,235</b>

The financial statements from page 1 to page 50 were approved by the Board of Directors and were authorized to be issued on 22.03.2023.

Chairman of the Board of Directors  
 Ing. Nitu Rizea Gheorghe

General Manager  
 Ec. Burca Sergiu

Chief Financial Officer  
 Ec. Predut Vasile Cornel



**ALTUR S.A.**  
**Situatii financiare – OMFP 2844/2016**  
**pentru perioada 01 ianuarie - 31 decembrie 2022**  
*(Sumele sunt exprimate in RON, daca nu se precizeaza altfel)*

**Situation of changes in equity capital  
for the period 01 January - 31 December 2022**

	Share capital	Equity premiums	Legal reserve	Other capital reserves	Revaluation reserves	Retained earnings	Total equity
	RON	RON	RON	RON	RON	RON	RON
<b>As of 1 January 2021</b>	<b>279,882,400</b>	<b>1,135,150</b>	<b>3,735,438</b>	<b>2,573,312</b>	<b>17,259,739</b>	<b>(273,981,172)</b>	<b>30,604,867</b>
Profit/(loss) of the period					24,385,836	(7,018,340)	17,367,496
Other comprehensive income	(197,447,859)		(2,986,093)	(1,070,771)		204,173,208	2,668,485
<b>Total overall result</b>	<b>(197,447,859)</b>	<b>-</b>	<b>(2,986,093)</b>	<b>(1,070,771)</b>	<b>24,385,836</b>	<b>197,154,868</b>	<b>20,035,981</b>
<b>As of 31 December 2021</b>	<b>82,434,541</b>	<b>1,135,150</b>	<b>749,345</b>	<b>1,502,541</b>	<b>41,645,575</b>	<b>(76,826,304)</b>	<b>50,640,848</b>
Profit/(loss) of the current period			123,946			2,354,967	2,478,913
Other comprehensive income	(51,829,674)					52,003,331	173,657
<b>Total overall result</b>	<b>(51,829,674)</b>	<b>-</b>	<b>123,946</b>			<b>54,358,298</b>	<b>2,652,570</b>
<b>As of 31 December 2022</b>	<b>30,604,867</b>	<b>1,135,150</b>	<b>873,291</b>	<b>1,502,541</b>	<b>41,645,575</b>	<b>(22,468,006)</b>	<b>53,293,418</b>

The financial statements from page 1 to page 50 were approved by the Board of Directors and were authorized to be issued on 22.03.2023.

Chairman of the Board of Directors  
Ing. Nitu Rizea Gheorghe

General Manager  
Ec. Burca Sergiu

Chief Financial Officer  
Ec. Predut Vasile Cornel

## Statement of cash flows

Direct method	The year ended at December 31, 2021 RON	The year ended at December 31, 2022 RON
<b>Cash flows from activities</b>		
Receipts from customers	98,379,474	140.858.944
Payments to suppliers and employees	(96,112,883)	(146.437.954)
Interest paid	(770,655)	(2.296.341)
Paid corporate tax	-	-
<b>Net treasury from exploitation activity</b>	<b>1,495,936</b>	<b>(7.875.351)</b>
<b>Cash flows from investment activities</b>		
Payments for the acquisition of share		
Payments for the acquisition of tangible assets	(5,300,618)	(1.859.898)
Receipts from sales of tangible assets	-	376.310
Interest earned		238
Dividends received		
Income from cedars financial investments	4,174	75.000
Expenses from financial investment cessions	14,165	
<b>Net treasury from investment activities</b>	<b>(5,310,609)</b>	<b>(1.408.350)</b>
<b>Cash flows from financing activities</b>		
Receipts from the share issue	-	9,600,000
Receipts from long-term loans		
Payment of lease-related debts	(569,161)	(658.238)
Dividends paid	-	-
Short-term loan variance	2,807,462	308.334
<b>Net treasury from financing activities</b>	<b>2,238,301</b>	<b>9.250.096</b>
<b>Net increase/(decrease) of treasury and treasury equivalents</b>	<b>(1,576,372)</b>	<b>(33.605)</b>
<b>Treasury and treasury equivalents at the beginning of the financial year</b>	<b>1,668,243</b>	<b>91.871</b>
<b>Treasury and treasury equivalents at the end of the financial year</b>	<b>91,871</b>	<b>58.266</b>

The financial statements from page 1 to page 50 were approved by the Board of Directors and were authorized to be issued on 22.03.2023.

Chairman of the Board of Directors  
 Ing. Nitu Rizea Gheorghe

General Manager  
 Ec. Burca Sergiu

Chief Financial Officer  
 Ec. Predut Vasile Cornel

## **1. Information about the Society**

SC Altur S.A. is a joint stock company whose object of activity is the manufacture of castings made of aluminum alloys and pistons for motor vehicles, tractors, trucks, aluminum casting for the electrotechnical industry.

The company was founded in 1979 under the name of the Cast of Aluminum Parts and Pistons and became a joint stock company named Altur S.A. in 1991, according to Government Decision no. 116/1991.

The legal address of the Company is Str. Pitesti, no. 114, Slatina, Olt County, Romania.

## **2. Principles, policies and accounting**

### **2.1 Basis of drawing up the financial statements**

#### ***Declaration of conformity***

The Company's financial statements were prepared in accordance with the provisions of Order no. 2844/2016 for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards applicable to companies whose securities are admitted to trading on a regulated market, with all subsequent amendments and clarifications. These provisions are in line with the provisions of the International Financial Reporting Standards adopted by the European Union, except for the provisions of IAS 21 The Effects of Changes in Foreign Exchange Rates on the Functional Currency. In order to prepare these financial statements, in accordance with the Romanian legal provisions, the functional currency of the Company is considered to be the Romanian Leu (RON).

The Company has prepared financial statements in accordance with IFRSs as of January 1, 2012, in line with accounting policies.

The financial statements at 31 December 2022 are prepared in accordance with International Financial Reporting Standards, regulated by OMFP no. 2844/2016.

These financial statements are prepared according to the principle of continuity of activity, according to the convention of the historical cost from which depreciation and impairment adjustments for fixed assets are deducted, respectively for technical installations, machines and furniture, real estate investments, except for certain items of fixed assets (land and buildings) and financial assets at fair value through profit and loss, as presented in the notes. The main accounting policies are presented below.

## **2.2. Main accounting policies**

### **a) Currency conversions**

The Company's financial statements are presented in RON, which is the functional currency of the Company determined in accordance with the requirements of IAS 21.

Foreign currency transactions are converted into RON using the exchange rate at the transaction date. Monetary assets and liabilities denominated in foreign currency at the end of the period are measured in RON using the exchange rate at the end of the financial year. Earnings and losses realized or unrealized are recorded in the income statement.

The RON - USD and RON - EUR exchange rates on 31 December 2022 and 31 December 2021 weret:

	<u>31 decembrie 2021</u>	<u>31 decembrie 2022</u>
RON – EUR	4.9481	4.9474
RON – USD	4.3707	4.6346

Exchange rate differences, either favorable or unfavorable, between the exchange rate at which the debts or liabilities denominated in foreign currency or the rate at which they were reported in the previous financial statements and the exchange rate at the end of the financial year are recorded as income or expense, as the case.

### **b) Recognition of income**

Revenues include the sale of finished products, residual products and merchandise, revenue from services rendered, rental income and property income.

Revenues are recognized to the extent that economic benefits are likely to be generated and earnings can be measured reliably, regardless of when the payment is made. Revenues are measured at the fair value of the consideration received or receivable, taking into account the terms of the contractual payment and excluding taxes and charges.

The company has concluded that it acts as a trustee in all its income commitments. The recognition criteria described below must be met at the time of income recognition.

### **Income from the sale of goods**

Revenues from the sale of finished goods, waste products and merchandise are recognized when the significant risks and benefits associated with the ownership of the goods have been transferred to the buyer, usually on the delivery of the goods. This is made net of VAT, any other sales taxes and commercial rebates.

IFRS 15 provides for a common revenue recognition model applicable to contracts with customers, regardless of the industry in which the entities operate. Based on this model, income recognition involves the following five steps:

1. Identification of the contract with a customer
2. Identification of performance obligations
3. Determination of the transaction price
4. Allocation of the transaction price to performance obligations
5. Recognise revenue when (or as) the entity meets a performance obligation.

#### **1. Identification of the contract with a customer**

A contract is an agreement between two or more parties that gives rise to enforceable (enforceable) rights and obligations.

**ALTUR S.A.**  
**Situatii financiare – OMFP 2844/2016**  
**pentru perioada 01 ianuarie - 31 decembrie 2022**  
*(Sumele sunt exprimate in RON, daca nu se precizeaza altfel)*

The customer is a party that has entered into a contract with the entity to obtain goods and services resulting from the entity's ordinary activities. However, income from sales of property, plant and equipment, intangible or investment property, even if not generated by ordinary activities, shall be recognised taking into account the requirements of IFRS 15.

An entity shall account for a contract with a customer that is covered by IFRS 15 only where all of the following criteria are met:

- (a) the parties to the contract have approved the contract and undertake to fulfil their obligations;
- (b) the entity may identify the rights of each Party in relation to the goods or services to be transferred;
- (c) the entity can identify the terms of payment for the goods or services to be transferred; d) the contract has a commercial content (ie it is expected that the risk, timing or amount of the entity's future cash flows will change as a result of the contract); and
- (e) it is likely that the entity will collect the consideration to which it will be entitled in exchange for the goods or services to be transferred to the customer.

**2. Identification of performance obligations**

A contract may relate to one or more performance obligations. Any promise to provide a customer with the following shall constitute an obligation to perform:

- a separate good or service; or
- a number of distinct and identical goods and services provided at the same pace.

A good or service shall be regarded as distinct if:

- a) the customer can benefit from the good or service taken either individually or together with other resources immediately available to the customer; and
- (b) the entity's promise to transfer the good or service to the customer is identifiable separately from other promises in the contract (i.e. the good or service is distinct in the context of the contract).

**3. Determination of the transaction price**

Revenue recognition is based on the price of transactions. This is the amount of counter-performance to which an entity expects to be entitled in exchange for the transfer of the promised goods or services to the customer, without including amounts collected on behalf of third parties (for example, some sales taxes).

**Price that includes a variable part**

When the price comprises a variable part, the entity shall account for:

- either the most likely value;
  - or the expected value (obtained by weighting each amount with its probability).
- Whichever method is chosen, this must be maintained throughout the entire contract.

**Price including an important financing component**

When the payment made by the client is postponed for a number of years, the price also includes an important financing component. This component must be determined and accounted for separately as financial income (not in the form of operating income) as time passes.

IFRS 15 acknowledges that when the duration of the commercial credit to customers is less than one year, the financing component shall not be accounted for separately.

**4. Allocation of the transaction price to performance obligations**

Where a contract comprises several performance obligations, the transaction price must be assigned between those obligations. The allocation is made in proportion to the individual (specific) selling price of each transaction. The individual (specific) selling price of a good or service is that price at which the good or service would be sold separately. Where it is not directly observable, it may be determined:

- either by reference to the market price (the approach to the adjusted market valuation),
- either by adding a margin to the cost that the entity expects to bear in meeting that obligation (estimated cost approach plus a margin);
- or in a residual manner by deducting the individual (specific) selling prices of other transactions from the total transaction price.

**5. Recognition of revenue**

IFRS 15 specifies that an income shall be recognised when a performance obligation is satisfied or as it is performed.

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For performance obligations fulfilled at a certain (specific) time, the date of accounting for income is the date on which the client obtains control of the asset.

Control is the ability to decide on the use of a good and to gain benefits from it. In practice, the date of obtaining the control in most cases, coincides with the date of delivery of the good.

For performance obligations fulfilled over time (progressively), the entity shall determine the degree of advancement of services at the end of each period and record the change in revenue for the financial year.

IFRS 15 specifies that the determination of the degree of advancement of works can be made either on the basis of outputs or inputs (inputs) of a contract.

**Revenue from the provision of services**

Revenues from the provision of services are recognized in the period in which they were provided and in correspondence with the execution stage (based on the estimates drawn up).

**Rental income**

The rental incomes coming from the lease agreements of some parts of the Company's real estate are accounted for and are included in the turnover (at the operational result) in the statement of incomes and expenses.

**Dividend income**

Income is recognized when the Company's right to receive payment is established, in general, when the shareholder approves the dividend.

**Interest income**

For interest-bearing financial assets and liabilities, interest income or expense is recorded using the effective interest method (EIR), representing the rate that accurately updates payments and future cash receipts over the expected life of the financial instrument or, where applicable, for a shorter period, to the net book value of the financial asset or financial liability. Interest income is included in the income statement on financial income.

**c) Government grants**

Government grants are recognized when there is reasonable assurance that the grant will be received and all relevant conditions will be met. When the grant relates to an expense item, it is recognized as income on a systematic basis, while the costs it is required to compensate are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected life of the asset.

When the Company receives non-monetary grants, the asset and the grant are recorded in gross amounts at nominal value and are transferred to the income statement over the expected lifetime and the rate of consumption of the underlying asset in equal annual installments. When credits or similar forms of assistance are provided by the government or similar institutions at a lower interest rate than the rate applicable on the market, the effect of such favorable interest is considered to be a government grant.

**d) Taxes****Current income tax**

Current tax receivables and payables for the current period are measured at the amount that is expected to be recovered from or paid to tax authorities. The tax rates and tax laws used to calculate the amounts are those adopted or largely adopted at the time of reporting by the Romanian legislation.

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Current income tax on items recognized directly in equity is recognized directly in equity, and not in profit or loss. The management periodically evaluates the positions presented in the tax returns regarding the situations in which the applicable tax regulations are interpreted and constitute provisions, if any. The tax rate is applied to taxable profit and is 16%. Tax loss can be carried over for a maximum of 7 fiscal years.

**Tax deferred**

Deferred tax is presented using the variable rate method of temporary differences between the tax bases of assets and liabilities and their carrying amount for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, unless:

- The deferred tax liability arises from the initial recognition of goodwill or an asset or a net liability in a transaction that is not a business combination and, at the date of the transaction, does not affect either the accounting profit or the taxable profit or loss, or
- Taxable temporary differences are associated with investments in subsidiaries, associates and interests in joint ventures when the parent, investor or associate is able to (a) control the timing of the temporary difference and there is a possibility that the temporary difference is not resumed in the near future.

Deferred tax assets are recognized for all deductible temporary differences, for the deferral of unused tax credits and any unused tax losses to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized and that unused tax credits are deferred and any unused tax losses, unless the deferred tax asset related to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the date of the transaction, does not affect either the profit or loss, or the taxable profit or loss. Temporary deductible differences associated with investments in subsidiaries, associates and interests in joint ventures are recognized only when it is probable that the temporary differences will be reversed in the foreseeable / near future and there will be future taxable profit on the basis of which temporary differences may be used deductible.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is unlikely that sufficient taxable profit is available to allow the benefit of a portion of the deferred tax asset or its total. Unrecognized deferred tax assets are revalued at each reporting date and recognized to the extent that it has become probable that the future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied for the period in which the asset is realized or the liability is settled based on the tax rates (and tax regulations) that have been adopted or largely adopted up to reporting date.

Deferred tax on recognized gains and losses is recognized outside profit and loss. Deferred tax items are recognized in relation to the underlying transaction in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if there is a legal entitlement to offset current tax receivables with current income tax liabilities and deferred tax relates to the same taxable entity and to the same tax authority.

**Value Added Tax**

Income, expenses and assets are recognized at net value with the exception of:

- Where the sales tax applicable to a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognized as part of the cost of acquiring the asset or as part of the expenditure item, as the case may be.

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- Receivables and liabilities presented at a value including the sales tax.

The net amount of the sales tax recoverable from or payable to the tax authority is included as part of the receivables or payables in the statement of financial position.

**e) Tangible assets**

**Initial assessment**

Tangible assets are stated at cost less accumulated amortization and / or accumulated impairment losses, if any. This cost includes the cost of replacing the respective tangible assets at the time of replacement and the cost of borrowing for long-term construction projects if the recognition criteria are met.

When significant parts of tangible assets have to be replaced at certain intervals, the Company recognizes those parts as individual assets with a useful useful life and depreciates them accordingly. Also, when carrying out a general inspection, its cost is recognized in the carrying amount of the tangible assets as a replacement if the recognition criteria are met.

All other repair and maintenance costs are recognized in the income statement when incurred. The present value of expected costs for the asset's disposal after use is included in the cost of that asset if the criteria for recognizing a provision are met. Tangible assets are stated at cost less accumulated amortization and / or accumulated impairment losses, if any. This cost includes the cost of replacing the respective tangible assets at the time of replacement and the cost of borrowing for long-term construction projects if the recognition criteria are met.

The cost of a tangible fixed asset consists of:

(a) its purchase price, including customs duties and non-refundable purchase taxes, after deduction of trade discounts and rebates.

(b) any costs attributable directly to bringing the asset to its location and condition so that it can function as intended by the management.

(c) the initial estimate of the costs of dismantling and moving the item and rehabilitating the site where it is located, if the Company has this obligation.

Fixed assets include the cost of construction, property, and other direct expenses. They are not depreciated over time until relevant assets are completed and put into operation.

**Subsequent valuation**

The company has chosen as the method of subsequent valuation of land and buildings the revaluation model and the cost model for other tangible assets.

The cost model requires the presentation of tangible assets at cost less cumulative depreciation and impairment losses and the revaluation model requires that tangible assets are accounted for at a revalued amount, ie the fair value at the revaluation date minus any subsequent accumulated depreciation and any loss



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**Depreciation of fixed assets**

Duration of economic use is the amount of time that the asset is expected to be used by the Company. Depreciation is calculated using the straight-line method over the life of the asset. Land is not being depreciated.

<b>Tip</b>	<b>Accounting (years)</b>	<b>life</b>
Buildings and special constructions	20 – 27	
Technological installations	8 – 12	
Furniture and other fixed assets	3 – 5	

Lifetime and depreciation method are reviewed periodically and, if necessary, adjusted prospectively, so that there is a consistency with expectations of the economic benefits of those assets.

In situations where the carrying amount increased as a result of the revaluation, the increase is credited directly to equity as a revaluation surplus. When the carrying amount is diminished as a result of the revaluation, the decrease is recorded as an expense, to the extent that it does not diminish a previously recorded revaluation surplus.

The revaluation surplus included in equity is transferred directly to retained earnings when the surplus is realized at the date of disposal or disposal of the asset.

**Derecognition**

An item of property, plant and equipment is derecognised or when no future economic benefit is expected from its use or disposal. Any gain or loss resulting from the derecognition of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the income statement when the asset is derecognised.

**f) Leasing contracts**

According to IFRS 16 'Leases' accounting for a lease with the lessee implies recognising in the statement of financial position an asset (right to use the underlying asset) and a liability (liability arising under the lease contract). Also, in the statement of profit or loss and other elements of the comprehensive income, depreciation and interest expenses are recognized.

**1) Initial measurement of the lease liability**

At the inception of the lease, the lessee values the lease liability at the present value of the lease payments remaining to be paid. The discounting of lease payments is made using the implied interest rate of the lease, if it can be determined, or, if this cannot be determined, the lessee shall use its marginal leverage ratio.

Lease payments included in the initial measurement of lease liability include:  
(a) fixed payments, less any leasing incentives receivable;

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- (b) variable lease payments that depend on an index or rate, initially measured on the basis of the index or rate at the start date of the contract (payments linked to a consumer price index, payments linked to a benchmark interest rate, such as LIBOR, or payments that vary to reflect changes in market rent rates).
- (c) the expected amounts due by the lessee on the basis of guarantees relating to the residual value;
- (d) the strike price of a purchase option, if the lessee has reasonable certainty that he will exercise the option;
- (e) payments of penalties for terminating the lease, if the lease term reflects the lessee's exercise of an option to terminate the lease.

If the lessee is unable to determine the implied interest rate of the lease, its marginal indebtedness (loan) rate shall be used.

This represents the interest rate that the lessee would have to pay to borrow, for a similar period and with a similar guarantee, the funds necessary to obtain an asset of an amount similar to that of the right-of-use asset in a similar economic environment.

**2) Initial assessment of the right to use the asset**

At the lessee, initially, the value of the right to use the asset includes:

- the initial amount of the lease liability;
- leasing payments made on the date of commencement of the contract or before that date (advances paid related to leasing contracts);
- any direct costs incurred by the lessee;
- the costs that are estimated to be borne by the lessee for the dismantling of the underlying asset, for the restoration of the location where it is located and to bring the underlying asset to the state required by the conditions stipulated in the contract (evaluated and accounted for in accordance with IAS 37).

Initial direct costs include those costs that would not have been incurred by the lessee if the lease had not been concluded. In their category are included: commissions, legal fees, costs with possible guarantees, payments made to the tenant who owned the asset, etc. Not included in these costs: general costs and bid costs for potential leases.

**3) Subsequent assessment of the debt related to the leasing contract**

After initial recognition, the liability related to the leasing contract is valued at the amortised cost by using the effective interest method. Subsequent changes to the lease payments involve a revaluation of the lease liability. The revaluation of the lease liability shall be carried out using:

- a) the same discount rate, where:
  - it is estimated that the amount paid according to the guaranteed residual value is modified;
  - payments are modified due to changes in indices or rates;
- b) a modified discount rate, when:
  - the payments related to the leasing contract are modified due to the modification of the interest rate (when they have as a reference an interest rate, for example LIBOR);
  - the duration of the leasing contract changes;
  - when the option to buy the underlying asset is changed.

**4) Subsequent assessment of the right to use the asset**

After initial recognition, the right to use the asset, in general, is assessed at a cost reduced by accumulated depreciation and impairments.

The lessee adjusts the carrying amount of the asset's right of use for revaluations of the lease liability, unless the carrying amount has been reduced to zero.

However, the lessee may use valuation alternatives at the amortised cost in the following two situations:

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-if the right to use the asset meets the criteria of an investment property, the lessee applies for its use an accounting policy identical to that used for the other investment property (which may be the fair value); or  
- if the lessee uses the revaluation model for a particular class of fixed assets, he may apply that model to all rights of use for assets belonging to the same class.

Depreciation of the right to use the asset is effected in accordance with IAS 16. Thus, the depreciation method should reflect the rate of consumption of the future economic benefits generated by the right to use the asset. Most of the time, this leads to the use of the linear depreciation method.

Depreciation is calculated from the date of commencement of the lease, and the period during which depreciation is determined is determined as follows:

- if the ownership of the underlying asset is transferred to the lessee at the end of the lease or if he has reasonable certainty that he will exercise his option to purchase it, the depreciation of the right of use is identical to the economic life of the asset; otherwise:
- the depreciation period of the right to use is equal to the lease term.

In order to see whether a right to use an asset is impaired, as well as for accounting for impairment, the lessee shall consider the requirements of IAS 36. After recognising an impairment, depreciation is determined on the basis of the carrying amount resulting from depreciation.

The determination of the extent to which an arrangement is or contains a leasing contract is based on the economic background of the commitment at the date of its commencement. The arrangement is assessed to determine whether the fulfilment of the arrangement depends on the use of a particular asset or assets or whether the arrangement confers the right to use the asset or assets, even if that right is not explicitly mentioned in the arrangement.

***g) The costs of indebtedness***

Liability costs that are directly attributable to the acquisition, construction or production of an asset that necessarily involve a substantial period of time to be ready for its intended use or sale are capitalized as part of the cost of that asset. All other costs of indebtedness are expensed in the period in which they occur. Debt costs are the interest and other costs borne by the Company for the borrowing of funds. The company did not have any debt costs directly attributable to the acquisition, construction or production of an asset in 2020 and by the end of 2021

***h) Real estate investments***

Real estate investments are initially valued at cost, including transaction costs. After the initial recognition, the real estate investments are presented at the historical cost from which the depreciation and any impairment adjustments are deducted if a decrease in the net realisable value for the respective assets is found.

Real estate investments must be derecognized at the time of disposal or when the real estate investment is permanently withdrawn from use and no future economic benefits are forecasted from the disposal. The difference between the net proceeds of disposal and the carrying amount of the asset is recognized in the income statement in the period in which it is derecognised.

Transfers to and from the real estate category are made only if there is a change in use. For the transfer of a real estate investment into the category of real estate used by the owner, the presumed property cost is its fair value as of the date of use change. If a real estate used by the owner becomes a real estate investment, the Company accounts for it in accordance with the policy on property, plant and equipment until the date of use change.

***i) Intangible assets***

Separately acquired intangible assets are valued at initial recognition at cost. After initial recognition, intangible assets are carried at cost less any cumulative depreciation and any accumulated impairment losses, if any. Intangible assets generated internally, excluding capitalized development costs, are not capitalized and expense is reflected in the income statement when the expense is incurred.

The useful lives of intangible assets are determined to be determined or undetermined.

Intangible fixed assets with a useful useful life are depreciated over the economic life and valued for impairment whenever there are indications of impairment of the intangible asset. The depreciation period and the amortization method for an intangible asset with a determined useful life are reviewed at least at the end of each reporting period. Changes in expected useful lives or expected consumption of future economic benefits embodied in assets are accounted for by changes in the method or the depreciation period as appropriate and are treated as changes in accounting estimates.

Earnings or losses arising from the derecognition of an intangible asset are calculated as the difference between the net disposal proceeds and the carrying amount of the item and are recognized in the income statement when the asset is derecognised.

The intangible assets of the Company are mainly represented by software and licenses. Software programs are amortized linearly for a maximum of 3 years, and licenses are amortized over their lifetime (generally 3 years). Expenditures on the current maintenance of IT systems are recognized as expenses of the period.

***j) Financial instruments – initial recognition and subsequent evaluatio***

***Initial Recognition and Evaluation***

Financial assets under IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or derivatives designated as hedging instruments within a effective risk coatings, as appropriate.

Financial liabilities that fall under IAS 39 are classified as financial liabilities at fair value through profit or loss, loans or derivatives designated as hedging instruments under effective risk hedging, as appropriate.

The Company determines the classification of financial assets and liabilities at initial recognition.

All financial assets and liabilities are initially recorded at fair value and, except for financial assets and liabilities at fair value through profit or loss plus / net of costs directly attributable to the transaction.

Purchases or sales of financial assets that require asset delivery in a period provided by a regulation or convention on the market (standard transactions) are recognized at the date of the transaction, ie the date on which the Company commits to purchase or sell the asset

***Subsequent measurement***

The subsequent measurement of financial assets and liabilities depends on their classification, as described below:

**Assets and financial liabilities at fair value through profit or loss**

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Financial assets and liabilities at fair value through profit or loss include financial assets and liabilities held for trading and financial assets designated at initial recognition at fair value through profit or loss.

Financial assets and liabilities are classified as held for trading if they are acquired for short-term sale or disposal. Derivatives, including embedded derivatives that have been separated, are also classified as held for trading if they are not designated as effective hedging instruments under IAS 39.

Financial assets and liabilities may be designated at their initial recognition at fair value through profit or loss are designated at their initial recognition date and only if the specific criteria set out in IAS 39 are met. The Company did not designate financial assets or liabilities in the fair value profit or loss.

Loans granted and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted on an active market. After initial recognition, these financial assets are subsequently measured at amortized cost using the effective interest rate method less depreciation. The amortized cost is calculated by taking into account any discount or premium on acquisition and any commissions and costs that form an integral part of the effective interest rate. Depreciation based on the effective interest rate is included in the income statement on financial income.

Provisions for impairment are established when there is evidence that the Company will not be able to collect the receivables. The Company assesses at each reporting date whether there is any objective evidence that a financial asset or group of financial assets is impaired. A financial asset or group of financial assets is considered impaired if and only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a "loss event"), and whether that loss event has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be estimated reliably.

Investments in long-term shares (subsidiaries, associates, or other entities)

The Company's investments in long-term shares (in subsidiaries, associates or other entities) are measured at cost less any impairment losses.

Evidence of depreciation may include indications that the debtor or a group of debtors is facing significant financial difficulties, failure to pay interest or principal, probability of bankruptcy, or other form of financial reorganization and observable data indicates that there is a quantifiable decrease in estimated cash flows, such as payment delays or variations in economic conditions associated with non-payment.

Impairment losses are recognized in the income statement in "Other expenses". Non-recoverable receivables are expensed when they are identified.

Some of the Company's sales are settled by offsetting. Occasionally, the Company offsets receivables from customers with sales or debts for goods or services within a whole chain of companies that have debts and mutual claims. These transactions are carried out at nominal value, without recognizing a loss or profit.

Loans received interest bearing

After initial recognition, interest-bearing borrowings are subsequently measured at amortized cost using the effective interest rate method. Earnings and losses are recognized in the income statement when the liabilities are derecognised, and during the amortization process at the effective interest rate.

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The amortized cost is calculated by taking into account any discount or premium on acquisition and any commissions and costs that form an integral part of the effective interest rate. Depreciation based on the effective interest rate is included in the profit and loss account in financial expenses.

**Derecognition**

A financial asset (or, if applicable, part of a financial asset or part of a group of similar financial assets) is derecognized when:

- The rights to receive asset-generated cash flows have expired
- The Company has transferred its rights to receive asset-generated cash flows or has undertaken a liability to pay all treasury cash flows without significant delays to a third party, based on a commitment with identical flows; and (a) the Company has transferred substantially all the risks and rewards of its asset; or (b) the Company has not transferred or substantially retained all the risks and rewards of the asset but transferred the control over the asset.
- When the Company has transferred its rights to receive cash flows from an asset or has entered into a commitment with identical flows and has not transferred or substantially retained all the risks and rewards of the asset but has not transferred control over the asset, the asset is recognized proportionally with the continued involvement of the Company in that asset. In this case, the Company also recognizes an associated liability. Asset transferred and associated debt are measured on a basis that reflects the rights and obligations that the Company has retained
- Continued involvement in the form of a guarantee on the transferred asset is measured at the lower of the initial carrying amount of the asset and the maximum amount of consideration that the Company may be required to repay.

A financial liability is derecognized when the debt liability is extinguished, canceled or expires. If a financial debt is replaced by another debt from the same creditor under substantially different conditions or if the terms of an existing debt change substantially, such exchange or change is treated as a derecognition of the original liability and a recognition of the new debt. The difference between the related accounting values is recognized in the income statement.

**Compensation of financial instruments**

Financial assets and financial liabilities are compensated and the net amount reported in the statement of financial position only if there is currently a legal right to offset the recognized amounts and a settlement intention on a net basis or capitalization of assets and debt settlement in a simultaneous.

**The fair value of financial instruments**

The fair value of financial instruments that are traded on active markets at each reporting date is determined by reference to quoted market prices or to the price the dealer determines (for a long term, the price is bidding, and the short term is the price required) without any deduction for transaction costs. In order to estimate the fair value of financial instruments that are not traded on active markets, appropriate valuation models are used.

**k) Inventory**

Material inventories are recorded at acquisition cost that includes all acquisition costs and other costs to bring inventory to shape and location. On exit from inventory, inventories are valued and recorded in the FIFO accounting ("first in - first out", "first entered - first out").

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The cost of finished products, unfinished production includes raw materials, direct wage costs, other direct and indirect production costs, but excludes interest, sale and distribution costs. Provisions are made for slow-moving, physically and morally exploited materials.

***l) Impairment of non-financial assets***

The Company assesses at each reporting date whether there are any impairment indices of an asset. If there are clues or if an annual test is required to depreciate an asset, the Company estimates the recoverable amount of that asset. The recoverable amount of an asset is the largest of the fair value of an asset or a cash-generating unit less costs associated with sale and its value in use. This is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those of other assets or asset groups. When the carrying amount of an asset or a cash-generating unit is greater than its recoverable amount, the asset is considered impaired and its carrying amount is lowered to its recoverable amount.

In assessing the amount of use, estimated future cash flows are updated to their present value using a pre-tax rate that reflects current market assessments of time value of money and asset specific risks. When determining the fair value minus the costs associated with the sale, recent market transactions are considered, if any. If such transactions can not be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for listed subsidiaries or other available fair value indicators.

Loss from impairment of continuing activities, including impairment of inventories, is recognized in the income statement except for land or buildings that have been revalued previously and the revaluation has been accounted for in other comprehensive income. In this case, impairment is also recognized in other comprehensive income to the amount of any prior revaluation.

At the end of each reporting period, an assessment is made to determine whether there are any indicators that previously recognized impairment losses are no longer available or have decreased. If such an indication exists, the Company estimates the recoverable amount of the asset or cash-generating unit. An impairment loss previously recognized is reversed only if there has been a change in the assumptions used to determine the recoverable amount of the asset. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount and does not exceed the carrying amount of the asset if it had not previously been impaired. Such a reversal is recognized in the income statement unless the asset has been revalued, in which case the reversal is treated as a revaluation increase.

***m) Cash and cash equivalents***

Cash and cash equivalents include house cash, current accounts and bank deposits with a maturity of less than one year. Foreign currency deposits are revalued at the exchange rate at the end of the reporting period. Account discovery is deducted from the balance of cash flow cash balances.

***n) Distribuirea dividendelor***

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The Company recognizes a liability to distribute dividends to shareholders when the distribution is authorized and is no longer at the discretion of the Company

**o) Provisions**

Provisions are recognized when the Company has a current (legal or implicit) obligation arising from a previous event, it is probable that an outflow of resources embodying economic benefits is required to settle the obligation and the amount of the liability can be estimated reliably. The expense related to any provision is presented in the income statement.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the best current estimate of management in this regard. If an outflow of resources is no longer likely to be extinguished for an obligation, the provision should be canceled by resuming income.

In the event of occurrence of events that generate risks, the Company recognizes a provision for the full amount known at that time.

Contingent liabilities are not recorded in the financial statements. These are only presented, unless the probability of resource outflows representing economic benefits is reduced. A contingent asset is not recorded in the financial statements but is presented when an economic benefit is probable.

As of December 31, 2022, the company has registered provisions for holidays not taken by employees in the amount of 963,269 lei. As of December 31, 2021 they were in the amount of 803,516 lei.

**p) Pensions and other long-term employee benefits**

Both the Company and its employees are legally obliged to make certain contributions (included in social security contributions) to the National Pension Fund, administered by the National Pensions and Other Social Insurance Rights (plan based on the "pay-as-you-go" ). Consequently, the Company has no legal or constructive obligation to pay additional future contributions. Its only obligation is to pay contributions when they become due. If the Company ceases to employ the members of the State Social Insurance Plan, it will have no obligation to pay the benefits earned by its own employees in previous years. Contributions of the Company to a contingent contribution plan are recorded as expenses in the year they refer to.

**q) Affiliated parts**

Parties are considered affiliated when one of them has the ability to significantly control / influence the other party through ownership, contractual rights, family relationships, or otherwise. Affiliated parties also include the company's principal owners, members of the management, members of the board of directors and members of their families, parties with which they jointly control other companies.

**r) Reported result and legal reserve**

The legal reserve is created in accordance with the provisions of the Companies Law, according to which 5% of the annual accounting profit is transferred within the legal reserves until their balance reaches 20% of the



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Company's share capital. If this reserve is used wholly or partially to cover losses or to distribute in any form (such as the issuance of new shares under the Companies Act), it becomes taxable.

The management of the Company does not expect to use the legal reserve in such a way that it becomes taxable (except as provided by the Fiscal Code, where the reserve constituted by the legal entities providing utilities to the companies that are being restructured, reorganized or privatized may be used to cover the losses of value of the share package obtained as a result of the debt conversion procedure, and the amounts intended for its subsequent reconstruction are deductible in calculating the taxable profit).

The accounting profit remaining after the distribution of the legal reserve, up to 20% of the share capital, is taken over the result carried forward at the beginning of the financial year following that for which the annual financial statements are prepared, from where they are to be distributed to the other legal destinations.

The distribution of the profit is carried out accordingly in the following financial year, after the approval of the distribution in the GMS .

### **3. Significant accounting considerations, estimates and assumptions**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for income, expense, assets and liabilities and accompanying disclosures, and report contingent liabilities at the end of the reporting period. However, the existence of uncertainty about these estimates and assumptions could result in a significant future adjustment of the carrying amount of the asset or liability in the future

#### **Reasoning**

Below are the management's reasoning with potential impact on the financial statements.

#### *Reporting segments*

Taking into account the specificity of the Company's activity and the fact that there are two main production lines, the management of the Company analyzed whether the application of the provisions of IFRS 8 Operating Segments is necessary. Thus, by analyzing the provisions regarding the definition of a segment of activity:

- The management analyzes the activities related to the two production lines in a global way in order to make decisions regarding the resources allocated for each production line.
- The company's management analyzes the separate financial information on the production lines as a single segment of activity.

Consequently, management considers that the necessary conditions for separate reporting by operational segments are not met.

#### **Estimations and assumptions**

The main assumptions about the future and other important causes of the uncertainty of the estimates at the reporting date that present a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in the next financial year are presented below.

#### *- Revaluation of tangible assets*

The company assesses land and buildings at fair value, and changes in the recorded value are recognized in other comprehensive income. The Company contracted independent valuation specialists to establish fair value on December 31, 2010 (transition date to IFRS) and December 31, 2012. During 2021 Altur SA contacted an independent authorized evaluator in order to establish the fair value of buildings and land, values that were recorded in the balance sheet of 2021

As of December 31, 2022, the company estimated that there were no significant changes in the fair value of buildings and land compared to the revaluation recorded on December 31, 2021.

#### *- Impairment of non-financial assets*

Impairment exists when the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount, representing the greater of fair value less costs to sell and its value in use. The fair value minus the costs associated with the sale is determined on the basis of the available transaction data in the context of the underlying asset transactions or observable market prices minus the costs of disposing of the asset. The use value calculation is based on an updated Treasury Flow Model.

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*- Taxes*

There is uncertainty about the interpretation of complex tax regulations, changes in tax legislation and the value and timing of future taxable profit. Considering the wide range of international business relationships and long-term character, as well as the complexity of existing contractual arrangements, the differences between actual results and assumed assumptions or future changes to these assumptions may involve future adjustments to revenue and expense for already recorded taxes .

The Romanian fiscal system undergoes a consolidation process and is in the process of harmonizing with European legislation. There may be different interpretations at the level of tax authorities in relation to tax legislation that may result in additional taxes and penalties. If state authorities find tax breaks and related regulations, they can lead to: confiscation of the amounts in question; additional tax obligations; fines and penalties. As a result, the tax penalties resulting from the violation of legal provisions can lead to a significant debt.

The company believes that it has paid all its taxes and taxes on time and in full.

*- Life span for fixed assets and depreciation method*

The Company estimates lifetimes for items of property, plant and equipment in accordance with the consumption / disposal rate for those assets. The Company uses the straight-line method of amortization of fixed assets.

*- Depreciation value for receivables*

The company estimates the impairment for the uncertain client, taking into account and analyzing the maturity and maturity of the respective receivable, as well as analyzing the credibility of each client. In this respect, the Company has established criteria for integrating clients into the "confirmed risk" or "no confirmed risk" category and records write-downs based on seniority and customer history.

#### **4. Standards issued but not yet in force**

Standards and interpretations issued but not yet in force until the date of publication of the Company's financial statements are presented below. The company intends to adopt these standards, if any, on the date they enter into force.

• **IFRS 9 Financial Instruments: Classification and Valuation**

The new standard becomes effective for annual periods beginning on or after January 1, 2015. IFRS 9, as issued, reflects IASB's first phase of IAS 39 replacement and applies to the classification and measurement of financial assets and financial liabilities as are defined in IAS 39. The Standard has entered into force for annual periods beginning on or after January 1, 2013, but the amendments to IFRS 9 "A new mandatory IFRS 9 effective date" and "Transition information disclosure" in December 2011 postponed the mandatory date of entry into force for January 1, 2015. In later stages, the IASB will address hedge accounting and depreciation of financial assets. The adoption of the first stage of IFRS 9 will have an effect on the classification and measurement of financial assets but will have no effect on the classification and measurement of financial liabilities. The company will quantify the effect in correlation with the other steps, when the final standard will be issued, including all stages. This standard has not yet been adopted by the EU.

European Parliament Resolution of 6 October 2016 on International Financial Reporting Standards IFRS 9 (2016/2898 (RSP)) sets a new date of entry into force of this Standard from 1 January 2018

## 5. Turnover

### 5.1. Income from the sale of goods

	<b>2021</b>	<b>2022</b>
	<b>RON</b>	<b>RON</b>
Income from the sale of finished products	93,060,118	134.929.760
Income from the sale of residual products	168,257	144.382
Income from the sale of goods	95,531	34.478
Other income from the sale	44,694	4.351
<b>Income from the sale of goods</b>	<b>93,368,600</b>	<b>135.112.971</b>

The company earns sales on the domestic market (in Romania), but primarily on export. The foreign market represents over 79% of the sales of goods, being the main market for selling the products made by the company. The structure of export sales is detailed as follows:

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>%</b>	<b>%</b>
Poland	35.43	44,17
England	21.66	18,90
Germany	20.35	21,65
France	8.14	4,06
Italy	8.17	5,30
Czech Republic	3.45	1,49
Spain	0.54	0,68
Others	2.26	3,75
<b>Total</b>	<b>100</b>	<b>100</b>

Product structure considering their destination is as follows:

- automotive industry - 96%
- other industrial branches - 4%

### 5.2. Revenue from services

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Revenue from transport services	-	-
Revenues of executed works	79	4,780
<b>Total revenue from services</b>	<b>79</b>	<b>4,780</b>

Client design work or client materials processing generates revenue that is recorded within the line of earnings executed.

### 5.3. Rental income

The company obtains rental income from the rent of fixed assets (commercial spaces), detailed as follows::

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Other rental income	184,631	130,799
<b>Total rental income</b>	<b>184,631</b>	<b>130,799</b>

### 6. Other operating revenues

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Income from asset sales and other capital operations	-	376,310
Income from investment subsidies	710,026	401,833
Income from restitution damages	-	-
Other operating revenues	545,527	348,100
<b>Total operating income</b>	<b>1,255,554</b>	<b>1,126,243</b>

### 7. Employee Benefits Expenditures

Short-term benefits to employees include pay, wages and social security contributions. These benefits are recognized as expenses when providing services. Total salary costs are presented below:

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Expenditure on salaries	23,407,481	23,977,647
Expenses with the insurance contribution for work	525,995	539,296
Other expenditure on employees	1,222,200	1,399,455
<b>Total salary expenses</b>	<b>25,155,676</b>	<b>25,916,398</b>

The company carries out payments on behalf of its own employees to the social security system, health insurance and unemployment fund. The average number of employees for the period 1 January to 31 December 2022 is 531, compared with the average number of employees in the comparative period of 2021 of 569 persons. The actual number of staff on 31 December 2022 is 515 persons. The company does not operate any other retirement or retirement benefit plan and therefore has no other pension obligations. The company offers to the employees to retire according to the collective labor contract two gross salaries made by the employee in the month before retirement.

At the end of 2022, for the holidays not taken by the employees, a provision in the amount of 963,269 lei was constituted.

## 8. Other expenditure

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Maintenance and repair costs	346,791	278,401
Rent costs	29,340	39,560
Insurance costs	62,580	79,265
Expenditure on the transport of goods and personnel	1,054,014	872,421
Travel expenses	7,245	29,726
Expenditure on banking services	220,465	270,002
Expenditures to the state budget	783,825	866,252
Expenditure on environmental protection	317,851	149,269
Expenses fines, penalties	42,433	121,382
Parts processing expenses	28,540	–
Expenses for managerial and legal consultancy services	1,367,814	908,711
Expenses for preparing the manufacture of new parts	1,118,933	2,268,615
Communal household expenses	320,280	416,481
Parts sorting services expenses, administrative costs	888,254	977,541
Expenses for security and protection services, PSI services	86,136	86,136
Other operating charges	471,946	145,744
<b>Total</b>	<b>7,146,447</b>	<b>7,509,506</b>

## 9. Expenses and financial income

<b>Financial charges</b>	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Expenditure on financial investments ceded	14,165	1,201,659
Expenses/(revenues) regarding the value adjustments for the financial fixed assets	(7,936)	(1,201,659)
Expenses from exchange rate differences	723,198	1,192,870
Interest expenditure	770,655	2,296,341
Other financial charges	149,823	94,677
<b>Total</b>	<b>1,649,905</b>	<b>3,583,888</b>

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<b>Financial income</b>	<b>31.12.2020</b>	<b>31.12.2021</b>
	<b>RON</b>	<b>RON</b>
Income from financial investments disposed of	4,174	75,001
Dividend income	-	-
Income from exchange rate differences	422,279	906,395
Interest income	3	238
<b>Total</b>	<b>426,456</b>	<b>981,634</b>

During the years 2020 and 2021, no dividends were collected from any issuer

## 10. Corporate income tax

The total expense of the year is reconciled with the accounting profit as follows:

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Current profit tax		
Current profit tax	-	-
Tax deferred:		
Related to temporary differences	(53,580)	(53,580)
<b>Profit tax expense recorded in the profit and loss account</b>	<b>(53,580)</b>	<b>(53,580)</b>

The reconciliation between the accounting profit and the current profit tax calculation is presented below:

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Gross accounting profit/(earnings)	(7,018,340)	2,401,632
Tax loss from previous years ( )	(33,400,749)	(34,320,206)
Corporate income tax at statutory tax rate (16%)	-	-
Impact of permanent differences	-	-



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Tax credit (sponsorship expenses)	-	-
Tax credit (legal reserve)	-	-
<b>Current profit tax expense recorded in the profit and loss account</b>	-	-

## 11. Tangible assets

Cost or fair value	Lands*	buildings *	Equipment	Equipment and construction in progress	advances to immobilizations	Total
	RON	RON	RON	RON	RON	RON
<b>As of 31 December 2021</b>	<b>20,926,200</b>	<b>25,541,610</b>	<b>95,934,054</b>	<b>443,035</b>	<b>72,320</b>	<b>142,917,219</b>
Inputs		-		1,710,369	263,090	1,973,458
Depreciation outputs/adjustments	-	(663,783)	-	-	-	(663,783)
Transfers**	-	222,215	362,942	(585,157)	-	-
<b>As of 31 December 2022</b>	<b>20,926,200</b>	<b>25,100,042</b>	<b>96,296,996</b>	<b>1,568,246</b>	<b>335,410</b>	<b>144,226,894</b>

\* Under the heading of entries for land and buildings, the revaluation of these fixed assets was recorded.

\*\* The transfer is made between the management of fixed assets. Fixed assets held in the category of equipment and constructions under execution are not amortized until the following month of commissioning

Depreciation and impairment adjustments	Lands	Buildings	Equipment	Equipment and construction in progress	Total
	<b>La 31 decembrie 2021</b>	-	<b>159,956</b>	<b>77,013,173</b>	-
Amortization Outputs (scrapping)/transfers	-	1,579,179	4,808,486	-	6,387,665
	-	(173,780)	-	-	(173,780)
<b>As of 31 December 2022</b>	-	<b>1,565,355</b>	<b>81,821,659</b>	-	<b>83,387,014</b>
<b>Net book value</b>					
<b>As of 31 December 2021</b>	<b>20,926,200</b>	<b>25,381,654</b>	<b>18,920,881</b>	<b>515,355</b>	<b>65,744,090</b>
<b>As of 31 December 2022</b>	<b>20,926,200</b>	<b>23,534,687</b>	<b>14,475,337</b>	<b>1,903,656</b>	<b>60,839,880</b>

### Leased assets

Altur SA had three leases in progress as of December 31, 2021 and two financial leasing contracts as of December 31, 2022 (note 14.2).

### Property, plant and equipment sold and rented

The company did not have during 2021 and during 2022 property, plant and equipment sold and rented subsequently.

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Reassessment of Fixed Assets

The latest revaluation of the buildings and land owned by the Society took place on December 31, 2021 by an independent evaluator and aimed at establishing both fair, market, building and land values. The revaluation was carried out by Ciocan I. Gheorghe, an independent accredited evaluator. The fair value of the real estate was determined on the basis of observable transactions on the market, where comparable data were available, or alternative valuation methods, International Valuation Assessment. The fair values set at the 2021 revaluation were considered relevant at 31 December 2022.

Assets encumbered by guarantees

The company has fixed assets encumbered by guarantees (detailed in Note 15.1).

Value of tangible fixed assets

The gross carrying amount of fully depreciated tangible assets that are still in use at 31 December 2022 is RON 56,051,835, corresponding to 985 fixed assets (31 December 2021: 41,936,642 RON, corresponding to 980 fixed assets).

Provisions for impairment of fixed assets

At December 31, 2022 and December 31, 2021, the Company did not record provisions for the impairment of constructions and equipments.

Considering the difficult economic context in Romania and internationally, the Company analyzed whether there were other internal or external indices of depreciation, but did not identify such indices that would lead to a further decrease in the value of fixed assets, in addition to diminishing of value resulting from the revaluation.

For the fixed assets in progress of execution in the balance as at 31.12.2020, impairment adjustments were set up in the amount of 1,086,200 lei, related to investment objectives that no longer had utility and for which it is not expected to bring future economic benefits.

## 12. Intangible assets

	Patents and licenses	Total
	RON	RON
<b>Cost</b>		
<b>As 31 December 2021</b>	762,251	762,251
Inputs	-	-
Outputs	-	-
<b>As 31 December 2022</b>	762,251	762,251
<b>Depreciation and depreciation of value</b>		
<b>As 31 December 2021</b>	695,862	695,862
Amortization	37,599	37,599
Outputs	-	-
<b>As 31 December 2022</b>	733,461	733,461
<b>Net book value</b>		
<b>As 31 December 2021</b>	66,389	66,389
<b>As 31 December 2022</b>	28,790	28,790

### 13. Financial assets

Imobilizarile financiare ale Societatii se impart in:

- 1) Titluri evaluate la valoare justa prin profit si pierdere
- 2) Actiuni detinute la filiale
- 3) Alte titluri imobilizate (contabilizate la cost)

	31.12.2021	31.12.2022
	RON	RON
Titles valued at fair value through profit and loss	-	-
Shares held in subsidiaries	-	-
Other fixed assets (accounted for at cost)	-	-
<b>Total investment available for sale</b>	-	-
<b>Total financial assets</b>	-	-

#### 13.1 Securities at fair value through profit or loss

Altur SA held investments in shares listed on December 31, 2020. The fair value of the listed bonds and shares is established by reference to the price quotations published by the active market according to the Bucharest Stock Exchange. During 2021, the shares held were sold so that, as of December 31, 2021 and December 31,2022, Altur SA no longer holds investments in listed shares.

**Shares listed on the Bucharest Stock Exchange:**

Company	Number of shares	market quotation	Fair value at 31 December 2021
	-		-
<b>Total</b>	-		-

Company	Number of shares	market quotation	Fair value at 31 December 2020
<b>Total</b>			

## **Impairment of financial investments**

Altur SA assesses at each reporting date whether there is objective evidence that an investment or group of investments is impaired. In the case of investments in shares classified as available for sale, objective evidence would include a significant or prolonged decline in the fair value of capital investments below their cost. Determining what "significant" or "prolonged" means rationalizes. In making these judgments, Altur SA assesses, among other factors, movements in the historical cost of shares, as well as the duration and extent to which the fair value of an investment is lower than its cost.

Based on these criteria, following the sale of the listed shares in the portfolio, the Company recorded during 2022 an income from the impairment adjustments in the amount of RON 1,201,659 (as of December 31, 2021, the depreciation adjustment was RON 7,936). The income from the adjustments related to the shares sold in the amount of RON 1,201,659, was recognized for the financial income in the profit and loss account for the current reporting period.

As of December 31, 2021 and December 31, 2022, ALTUR SA no longer holds securities listed on BVB.

## **14. Other financial assets / liabilities**

### **14.1. Interest-bearing loans**

The Company has the following loans as at 31 December 2022:

#### **I) Loans granted by Raiffeisen Bank**

a) Credit for the financing of the current activity - overdraft, for the maximum amount of 12.000.000 RON, granted on 13.06.2013 with maturity on 31.05.2023.

The initial purpose of the credit facility (in 2013) was to repay the balance of the factoring facility contracted by Alro SA from BRD-GSG for the supply of raw materials (aluminum alloys) to SC Altur SA; the refinancing of the factoring facility contracted by SC Altur SA from Banca Transilvania SA for receivables from the commercial relationship with TRW Automotive Czech S.R.O in the Czech Republic; financing of working capital, payments of raw materials, utilities, wages, VAT and other taxes.

At present, the purpose of the credit facility is to fund working capital, pay for raw materials, utilities, wages, VAT and other taxes.

The interest rate charged by the bank for this facility is ROBOR at 1M plus margin of 1.95% per annum.

At 31 December 2022, the amount of the drawn facility is **11,936,604 RON**

b) Investment loan with a total value of EUR 2,000,000, granted on 18.12.2017, with repayment in 48 equal installments starting with 25.01.2019 until 25.03.2023. The credit period is until December 31, 2018. The interest rate charged by the bank is EURIBOR 1M plus the margin of 2.25% per year.

As of 31 December 2022, the amount of the remaining installments to be paid is **124,639.13 EURO**, equivalent to 636,640 RON.

***Credits granted by Raiffeisen Bank are guaranteed by:***

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- a) mortgage contract on real estate property of the company, located in Slatina, str. Pitesti nr.114, Olt County, consisting of:
- intravilan land building category yards in the surface of 2.397,51 sqm, having nr. Cadastral 438/47, immovable property registered in CF no.55512 (no 1058 old CF) of Slatina locality;
  - intravilan land category yard constructions with an area of 7,095 sqm, having no. Cadastral 438-438 / 41-438 / 45, together with the construction of C1-Store house chemical dyes, with an area of 214.88 sqm and C2-Remiza PSI, with an area of 176.53 sqm, immobilized in CF no.53375 .CF vechi 1058) of the town of Slatina;
  - intravilan land category of yard constructions in the surface of 39,677.91 sqm, having nr. cadastral 438-438// 43, together with the construction C56-43 - Truck scale, with an area of 495.52 sqm, immovable property registered in CF no.53374 (no. CF 1058) of Slatina;
  - intravilan land category yard constructions in the surface of 16,711.30 sqm, having nr. cadastral building 438-438 / 18, together with the building C3 / 18 - Piston Casting Hall, with an area of 8,998.76 square meters, immovable property registered in CF no.52978 (no. CF 1058) of Slatina;
  - intravilan land category of yard constructions in the surface of 20.153 sqm, having nr. cadastral 50244 (old cadastral number 438-438 / 6-438 / 19), together with the constructions C1 Gravity casting Hall in CF no. 50244 (old 1058) of the town of Slatina;
  - intravilan land category yard constructions with an area of 26,274 sqm, having no. cadastral 438-438 / 24-438 / 25, together with constructions C26 / 25 - Mechanical Processing Hall, with an area of 19,317 sqm and C25 / 25 - The gate cabin, with an area of 134 sqm, immobilized in CF no.51077 .Old CF 1058) of the town of Slatina;
  - the general access land within a total area of 15,540.16 sqm, with no. cadastral 438/46, filed in CF no.51102 (no. CF 1058) of Slatina locality;
  - intravilan land category construction yards with an area of 3,259.82 square meters, with cadastral number 438-438 / 10 438/11, together with the C34 / 11 - Canteen constructions, with a built surface of 568mp and C36 / 10 - gas regulation station, with a built-up area of 15 sqm.
- b) the mortgage on the current accounts opened with Raiffeisen Bank and on the receivables of the company on the third parties that will be collected through the current accounts;
- c) the mortgage on all proceeds of the commercial relationship with TRW Automotive, Cooper Standard France SAS, Continental Automotive for the strategic supplier contract dated 10.01.2013, M & G Italy, PanLink Sp.Zoo, Renault Group, Automobile Dacia SA, Robert Bosch, with the notification of the ceded debtors.
- d) the mortgage on the equipment purchased from the investment loan;
- e) pledge on stocks of finished products
- f) pledge on stocks of raw materials
- g) pledge on receivables from VAT reimbursements from ANAF.

**II) Open Loans at Banca Transilvania S.A. Slatina Branch.**

a) Discount credit amounting to EUR 1,020,408 granted by Banca Transilvania S.A. - Slatina Branch until 01.07.2023, intended to finance the working capital requirement.

The loan is granted with a EURIBOR interest rate of 6 months plus 3.5% indexable quarterly. On December 31, 2022, the undrawn credit of the drawn account **1,013,216.28 EUR** equivalent to 5,012,786 RON

The credit granted by Banca Transilvania S.A. - The Slatina Branch and the related interest are guaranteed as follows:

- mortgage contract on buildings:

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- intravilan land with an area of 17,581.63 sqm, together with the Die presuure asing Hall with a built surface of 10,890.26 sqm and an expedition station with a built surface of 357.18 sqm.
- intravilan land general access.

The two buildings were valued at 8,831,374 RON and the value of the guarantee of the goods is 7,065,100 RON

- real movable security contract on die pressure machines ,Classical Buhler type 42D and 53D, aluminum melting furnace ZPF type S-G1 5T5 and melting and storage furnace type S-G1, valued at 3.147.989 RON.
- a real security collateral contract based on the present and future cash amounts that will be collected in the current accounts of the company opened at Banca Transilvania S.A. - Slatina Branch.
- Contract for real security on debts arising from contracts concluded with CONTINENTAL TEVES Germany and HAGELMAYER Consult SRL - Oradea, with a guarantee value of RON 1,071,092

**h)** On-recourse factoring agreement concluded on 16 May 2018 with Banca Transilvania for the commercial relationship with Continental Teves - Germany, up to the maximum limit of 600,000 EURO. The deadline for firing is 28.06.2023. Contract duration is until 28.12.2023.

On 31.12.2022 the amount drawn from the factoring facility is **EUR 439,165.73**, equivalent to RON 2,439,888.

### **III) Loans received from shareholders**

On December 31, 2022 Altur SA has borrowed the amount of 6,761,007 lei from the shareholder Andrici Adrian. The amount borrowed was granted on the basis of two contracts, of which: the first in the amount of 3,461,007 lei granted on 30.03.2021 in order to pay the outstanding amounts, representing taxes and duties due to the state budget, benefiting also from the provisions of GEO 69/2020, respectively the cancellation of interest and late payment penalties following the payment of the main debit. The loan was granted for a period of one year, subsequently the due date was extended by another year until 30.03.2023, and on the date of repayment of the loaned amount, the related interest (7% per year) will be paid. The second loan in the amount of 3.3 million lei was contracted during the first quarter of 2022 for a period of one year, with an interest rate of 7%, for the payment of debts to the suppliers of raw materials and utilities.

The company had on December 31, 2021 contracted the following loans:

### **I) Credite acordate de Raiffeisen Bank**

a) Credit for the financing of the current activity - overdraft, for the maximum amount of 12.000.000 RON, granted on 13.06.2013 with maturity on 30.04.2022.

The initial purpose of the credit facility (in 2013) was to repay the balance of the factoring facility contracted by Alro SA from BRD-GSG for the supply of raw materials (aluminum alloys) to SC Altur SA; the refinancing of the factoring facility contracted by SC Altur SA from Banca Transilvania SA for receivables from the commercial relationship with TRW Automotive Czech S.R.O in the Czech Republic; financing of working capital, payments of raw materials, utilities, wages, VAT and other taxes.

At present, the purpose of the credit facility is to fund working capital, pay for raw materials, utilities, wages, VAT and other taxes.

The interest rate charged by the bank for this facility is ROBOR at 1M plus margin of 1.95% per annum.

At 31 December 2021, the amount of the drawn facility is **11,972,462 RON**

**ALTUR S.A.**

**Situatii financiare – OMFP 2844/2016**

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*(Sumele sunt exprimate in RON, daca nu se precizeaza altfel)*

b) Investment loan with a total value of EUR 2,000,000, granted on 18.12.2017, with repayment in 48 equal installments starting with 25.01.2019 until 25.03.2023. The credit period is until December 31, 2018. The interest rate charged by the bank is EURIBOR 1M plus the margin of 2.25% per year.

As of 31 December 2021, the amount of the remaining installments to be paid is **622,762.97 EUR**, equivalent to 3,081,493 RON.

**Credits granted by Raiffeisen Bank are guaranteed by:**

- a) mortgage contract on real estate property of the company, located in Slatina, str. Pitesti nr.114, Olt County, consisting of:
- intravilan land building category yards in the surface of 2.397,51 sqm, having nr. Cadastral 438/47, immovable property registered in CF no.55512 (no 1058 old CF) of Slatina locality;
  - intravilan land category yard constructions with an area of 7,095 sqm, having no. Cadastral 438-438 / 41-438 / 45, together with the construction of C1-Store house chemical dyes, with an area of 214.88 sqm and C2-Remiza PSI, with an area of 176.53 sqm, immobilized in CF no.53375 .CF vechi 1058) of the town of Slatina;
  - intravilan land category of yard constructions in the surface of 39,677.91 sqm, having nr. cadastral 438-438// 43, together with the construction C56-43 - Truck scale, with an area of 495.52 sqm, immovable property registered in CF no.53374 (no. CF 1058) of Slatina;
  - intravilan land category yard constructions in the surface of 16,711.30 sqm, having nr. cadastral building 438-438 / 18, together with the building C3 / 18 - Piston Casting Hall, with an area of 8,998.76 square meters, immovable property registered in CF no.52978 (no. CF 1058) of Slatina;
  - intravilan land category of yard constructions in the surface of 20.153 sqm, having nr. cadastral 50244 (old cadastral number 438-438 / 6-438 / 19), together with the constructions C1 Gravity casting Hall in CF no. 50244 (old 1058) of the town of Slatina;
  - intravilan land category yard constructions with an area of 26,274 sqm, having no. cadastral 438-438 / 24-438 / 25, together with constructions C26 / 25 - Mechanical Processing Hall, with an area of 19,317 sqm and C25 / 25 - The gate cabin, with an area of 134 sqm, immobilized in CF no.51077 .Old CF 1058) of the town of Slatina;
  - the general access land within a total area of 15,540.16 sqm, with no. cadastral 438/46, filed in CF no.51102 (no. CF 1058) of Slatina locality;
  - intravilan land category construction yards with an area of 3,259.82 square meters, with cadastral number 438-438 / 10 438/11, together with the C34 / 11 - Canteen constructions, with a built surface of 568mp and C36 / 10 - gas regulation station, with a built-up area of 15 sqm.
- b) the mortgage on the current accounts opened with Raiffeisen Bank and on the receivables of the company on the third parties that will be collected through the current accounts;
- c) the mortgage on all proceeds of the commercial relationship with TRW Automotive, Cooper Standard France SAS, Continental Automotive for the strategic supplier contract dated 10.01.2013, M & G Italy, PanLink Sp.Zoo, Renault Group, Automobile Dacia SA, Robert Bosch, with the notification of the ceded debtors.
- d) the mortgage on the equipment purchased from the investment loan;
- e) pledge on stocks of finished products
- f) pledge on stocks of raw materials
- g) pledge on receivables from VAT reimbursements from ANAF.

**II) Open Loans at Banca Transilvania S.A. Slatina Branch.**

## **ALTUR S.A.**

### **Situatii financiare – OMFP 2844/2016**

#### **pentru perioada 01 ianuarie - 31 decembrie 2022**

*(Sumele sunt exprimate in RON, daca nu se precizeaza altfel)*

a) Overdraft loan in the total amount of RON 5,000,000 granted by Banca Transilvania S.A. – Slatina Branch until 02.07.2022, intended to finance the necessary working capital.

The loan is granted with a ROBOR interest rate of 6 months plus 2.25% indexable quarterly. On December 31, 2021, the undrawn credit of the drawn account is **4,960,431 RON**.

The credit granted by Banca Transilvania S.A. - The Slatina Branch and the related interest are guaranteed as follows:

- mortgage contract on buildings:
  - intravilan land with an area of 17,581.63 sqm, together with the Die presuure asing Hall with a built surface of 10,890.26 sqm and an expedition station with a built surface of 357.18 sqm.
  - intravilan land general access.

The two buildings were valued at 8,831,374 RON and the value of the guarantee of the goods is 7,065,100 RON

- real movable security contract on die pressure machines ,Classical Buhler type 42D and 53D, aluminum melting furnace ZPF type S-G1 5T5 and melting and storage furnace type S-G1, valued at 3.147.989 RON.
- a real security collateral contract based on the present and future cash amounts that will be collected in the current accounts of the company opened at Banca Transilvania S.A. - Slatina Branch.
- Contract for real security on debts arising from contracts concluded with CONTINENTAL TEVES Germany and HAGELMAYER Consult SRL - Oradea, with a guarantee value of RON 1,071,092

b) On-recourse factoring agreement concluded on 16 May 2018 with Banca Transilvania for the commercial relationship with Continental Teves - Germany, up to the maximum limit of 600,000 EURO the deadline for firing is 29.06.2022. Contract duration is until 29.12.2022.

On 31.12.2021 the amount drawn from the factoring facility is **439.413,16 EUR** equivalent to **2.174.209 RON**.

### **III) Loans received from shareholders**

On December 31, 2021 Altur SA has borrowed the amount of 3,461,007 lei from the shareholder Andrici Adrian. The purpose of the loan was to pay the outstanding amounts, representing taxes and duties owed to the state in order to cancel the late payment penalties according to GEO 69/2020. The loan was granted for a period of one year, respectively with the maturity on 31.03.2022, and on the date of repayment of the loaned amount, the related interest will be paid.

## **14.2 Leasing**

On December 31, 2022, Altur SA had in progress two leasing contracts, respectively a contract concluded with Impuls Leasing Romania on 11.05.2018 for 1 car and a contract concluded with DMG Mori Finance from Germany on 23.05.2019 to finance the acquisition of a pressure casting cell K830

The value of the leasing installments, remaining to be paid on December 31, 2022 for the contract concluded with Impuls Leasing Romania is 24,857 lei, see below the due date of the remaining installments for payment:

Contract no.83233/2018 for the car



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Mercedes-Benz V-CLASS 250D EXTRALUNG

RATE	DUE DATE	FINANCED VALUE	Analysis / administration fee	EUR INTEREST RATE	MAIN EUR	RESIDUAL VALAORE -EUR -	PRINCIPAL UNPAID RON
		<b>47,126.55</b>					<b>1</b> <b>EUR_31.12.2022</b>
<b>0</b>	<b>ADVANCE</b>	<b>8,316.45</b>	1,621.08				<b>4.9474</b>
1	14/07/2018	47,126.55	10.00	153.16	<b>704.24</b>	46,422.31	
2	14/08/2018	46,422.31	10.00	150.87	<b>706.53</b>	45,715.78	
3	14/09/2018	45,715.78	10.00	148.58	<b>708.82</b>	45,006.96	
4	14/10/2018	45,006.96	10.00	146.27	<b>711.13</b>	44,295.83	
5	14/11/2018	44,295.83	10.00	143.96	<b>713.44</b>	43,582.39	
6	14/12/2018	43,582.39	10.00	141.64	<b>715.76</b>	42,866.63	
7	14/01/2019	42,866.63	10.00	139.32	<b>718.08</b>	42,148.55	
8	14/02/2019	42,148.55	10.00	136.98	<b>720.42</b>	41,428.13	
9	14/03/2019	41,428.13	10.00	134.64	<b>722.76</b>	40,705.37	
10	14/04/2019	40,705.37	10.00	132.29	<b>725.11</b>	39,980.26	
11	14/05/2019	39,980.26	10.00	129.94	<b>727.46</b>	39,252.80	
12	14/06/2019	39,252.80	10.00	127.57	<b>729.83</b>	38,522.97	
13	14/07/2019	38,522.97	10.00	125.20	<b>732.20</b>	37,790.77	
14	14/08/2019	37,790.77	10.00	122.82	<b>734.58</b>	37,056.19	
15	14/09/2019	37,056.19	10.00	120.43	<b>736.97</b>	36,319.22	
16	14/10/2019	36,319.22	10.00	118.04	<b>739.36</b>	35,579.86	
17	14/11/2019	35,579.86	10.00	115.63	<b>741.77</b>	34,838.09	
18	14/12/2019	34,838.09	10.00	113.22	<b>744.18</b>	34,093.91	
19	14/01/2020	34,093.91	10.00	110.81	<b>746.59</b>	33,347.32	
20	14/02/2020	33,347.32	10.00	108.38	<b>749.02</b>	32,598.30	
21	14/03/2020	32,598.30	10.00	105.94	<b>751.46</b>	31,846.84	
22	14/04/2020	31,846.84	10.00	103.50	<b>753.90</b>	31,092.94	
23	14/05/2020	31,092.94	10.00	101.05	<b>756.35</b>	30,336.59	
24	14/06/2020	30,336.59	10.00	98.59	<b>758.81</b>	29,577.78	
25	14/07/2020	29,577.78	10.00	96.13	<b>761.27</b>	28,816.51	
26	14/08/2020	28,816.51	10.00	93.65	<b>763.75</b>	28,052.76	
27	14/09/2020	28,052.76	10.00	91.17	<b>766.23</b>	27,286.53	
28	14/10/2020	27,286.53	10.00	88.68	<b>768.72</b>	26,517.81	
29	14/11/2020	26,517.81	10.00	86.18	<b>771.22</b>	25,746.59	
30	14/12/2020	25,746.59	10.00	83.68	<b>773.72</b>	24,972.87	
31	14/01/2021	24,972.87	10.00	81.16	<b>776.24</b>	24,196.63	

**ALTUR S.A.**  
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*(Sumele sunt exprimate in RON, daca nu se precizeaza altfel)*

32	14/02/2021	24,196.63	10.00	78.64	<b>778.76</b>	23,417.87	
33	14/03/2021	23,417.87	10.00	76.11	<b>781.29</b>	22,636.58	
34	14/04/2021	22,636.58	10.00	73.57	<b>783.83</b>	21,852.75	
35	14/05/2021	21,852.75	10.00	71.02	<b>786.38</b>	21,066.37	
36	14/06/2021	21,066.37	10.00	68.47	<b>788.93</b>	20,277.44	
37	14/07/2021	20,277.44	10.00	65.90	<b>791.50</b>	19,485.94	
38	14/08/2021	19,485.94	10.00	63.33	<b>794.07</b>	18,691.87	
39	14/09/2021	18,691.87	10.00	60.75	<b>796.55</b>	17,895.32	
40	14/10/2021	17,895.32	10.00	58.16	<b>799.24</b>	17,096.08	
41	14/11/2021	17,096.08	10.00	55.56	<b>801.84</b>	16,294.24	
42	14/12/2021	16,294.24	10.00	52.96	<b>804.44</b>	15,489.80	
43	14/01/2022	15,489.80	10.00	50.34	<b>807.06</b>	14,682.74	
44	14/02/2022	14,682.74	10.00	47.72	<b>809.68</b>	13,873.06	
45	14/03/2022	13,873.06	10.00	45.09	<b>812.31</b>	13,060.75	
46	14/04/2022	13,060.75	10.00	42.45	<b>814.95</b>	12,245.80	
47	14/05/2022	12,245.80	10.00	39.80	<b>817.60</b>	11,428.20	
48	14/06/2022	11,428.20	10.00	37.14	<b>820.26</b>	10,607.94	
49	14/07/2022	10,607.94	10.00	34.48	<b>822.92</b>	9,785.02	
50	14/08/2022	9,785.02	10.00	31.80	<b>825.60</b>	8,959.42	
51	14/09/2022	8,959.42	10.00	29.12	<b>828.28</b>	8,131.14	
52	14/10/2022	8,131.14	10.00	26.34	<b>830.97</b>	7,300.17	
53	14/11/2022	7,300.17	10.00	23.73	<b>833.67</b>	6,466.50	
54	14/12/2022	6,466.50	10.00	21.02	<b>836.38</b>	5,630.12	
55	14/01/2023	5,630.12	10.00	18.30	<b>839.10</b>	4,791.02	4,151.36
56	14/02/2023	4,791.02	10.00	15.57	<b>841.83</b>	3,949.19	4,164.87
57	14/03/2023	3,949.19	10.00	12.83	<b>844.57</b>	3,104.62	4,178.43
58	14/04/2023	3,104.62	10.00	10.09	<b>847.31</b>	2,257.31	4,191.98
59	14/05/2023	2,257.31	10.00	7.34	<b>850.06</b>	1,407.25	4,205.59
60	14/06/2023	1,407.25	10.00	4.68	<b>852.72</b>	554.53	4,218.75
RESIDUAL VALAORE		554.53			<b>554.53</b>	0.00	2,743.48
			2,221.08	4,871.79	<b>47,126.55</b>		<b>27,854.46</b>

The leasing contract concluded with DMG Mori Finance from Germany on 23.05.2019 for the financing of a K830 die casting cell.

The total value of the leasing contract is 730.000 EUR, of which the advance in the amount of 146.000 EUR and the remaining 584.000 EUR is paid in 60 monthly installments (5 years). The value of the leasing installments for this contract remaining to be paid on 31 December 2022 is 273,811 EUR, respectively 1,354,655 lei.

**ALTUR S.A.**  
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DMG MORI FINANCE contract for the machine  
DIE-CAST CELL K 830-71

RATE	DUE DATE	FINANCED VALUE	Analysis / administration fee	EUR INTEREST RATE	MAIN EUR	RESIDUAL VALAORE -EUR -	PRINCIPAL UNPAID RON
		<b>730,000.00</b>					<b>1</b> <b>EUR_31.12.2021</b>
<b>0</b>	<b>ADVANCE</b>	<b>146,000.00</b>					<b>4.9474</b>
1	01/12/2019	584,000.00	9,763.72	2,153.39	<b>7,610.33</b>	576,389.67	
2	01/01/2020	576,389.67	9,763.72	2,124.85	<b>7,638.87</b>	568,750.80	
3	01/02/2020	568,750.80	9,763.72	2,096.20	<b>7,667.52</b>	561,083.28	
4	01/03/2020	561,083.28	9,763.72	2,067.45	<b>7,696.27</b>	553,387.01	
5	01/04/2020	553,387.01	9,763.72	2,038.59	<b>7,725.13</b>	545,661.88	
6	01/05/2020	545,661.88	9,763.72	2,009.62	<b>7,754.10</b>	537,907.78	
7	01/06/2020	537,907.78	9,763.72	1,980.54	<b>7,783.18</b>	530,124.60	
8	01/07/2020	530,124.60	9,763.72	1,951.35	<b>7,812.37</b>	522,312.23	
9	01/08/2020	522,312.23	9,763.72	1,922.06	<b>7,841.66</b>	514,470.57	
10	01/09/2020	514,470.57	9,763.72	1,892.65	<b>7,871.07</b>	506,599.50	
11	01/10/2020	506,599.50	9,763.72	1,863.13	<b>7,900.58</b>	498,698.92	
12	01/11/2020	498,698.92	9,763.72	1,833.51	<b>7,930.21</b>	490,768.71	
13	01/12/2020	490,768.71	9,763.72	1,803.77	<b>7,959.95</b>	482,808.76	
14	01/01/2021	482,808.76	9,763.72	1,773.92	<b>7,989.80</b>	474,818.96	
15	01/02/2021	474,818.96	9,763.72	1,743.96	<b>8,019.76</b>	466,799.20	
16	01/03/2021	466,799.20	9,763.72	1,713.88	<b>8,049.84</b>	458,749.36	
17	01/04/2021	458,749.36	9,763.72	1,683.70	<b>8,080.02</b>	450,669.34	
18	01/05/2021	450,669.34	9,763.72	1,653.40	<b>8,110.32</b>	442,559.02	
19	01/06/2021	442,559.02	9,763.72	1,622.98	<b>8,140.74</b>	434,418.28	
20	01/07/2021	434,418.28	9,763.72	1,592.45	<b>8,171.26</b>	426,247.02	
21	01/08/2021	426,247.02	9,763.72	1,561.81	<b>8,201.91</b>	418,045.11	
22	01/09/2021	418,045.11	9,763.72	1,531.06	<b>8,232.66</b>	409,812.45	
23	01/10/2021	409,812.45	9,763.72	1,500.18	<b>8,263.54</b>	401,548.91	
24	01/11/2021	401,548.91	9,763.72	1,469.19	<b>8,294.52</b>	393,254.39	
25	01/12/2021	393,254.39	9,763.72	1,438.09	<b>8,325.63</b>	384,928.76	
26	01/01/2022	384,928.76	9,763.72	1,406.87	<b>8,356.85</b>	376,571.91	
27	01/02/2022	376,571.91	9,763.72	1,375.53	<b>8,388.19</b>	368,183.72	
28	01/03/2022	368,183.72	9,763.72	1,344.07	<b>8,419.64</b>	359,764.08	
29	01/04/2022	359,764.08	9,763.72	1,312.50	<b>8,451.22</b>	351,312.86	

**ALTUR S.A.****Situatii financiare – OMFP 2844/2016****pentru perioada 01 ianuarie - 31 decembrie 2022***(Sumele sunt exprimate in RON, daca nu se precizeaza altfel)*

30	01/05/2022	351,312.86	9,763.72	1,280.81	<b>8,482.91</b>	342,829.95	
31	01/06/2022	342,829.95	9,763.72	1,249.00	<b>8,514.72</b>	334,315.23	
32	01/07/2022	334,315.23	9,763.72	1,217.07	<b>8,546.65</b>	325,768.58	
33	01/08/2022	325,768.58	9,763.72	1,185.02	<b>8,578.70</b>	317,189.88	
34	01/09/2022	317,189.88	9,763.72	1,152.85	<b>8,610.87</b>	308,579.01	
35	01/10/2022	308,579.01	9,763.72	1,120.56	<b>8,643.16</b>	299,935.85	
36	01/11/2022	299,935.85	9,763.72	1,088.15	<b>8,675.57</b>	291,260.28	
37	01/12/2022	291,260.28	9,763.72	1,055.61	<b>8,708.11</b>	282,552.17	
38	01/01/2023	282,552.17	9,763.72	1,022.96	<b>8,740.76</b>	273,811.41	43,244.04
39	01/02/2023	273,811.41	9,763.72	990.18	<b>8,773.54</b>	265,037.87	43,406.21
40	01/03/2023	265,037.87	9,763.72	957.28	<b>8,806.44</b>	256,231.43	43,568.98
41	01/04/2023	256,231.43	9,763.72	924.25	<b>8,839.47</b>	247,391.96	43,732.39
42	01/05/2023	247,391.96	9,763.72	891.11	<b>8,872.61</b>	238,519.35	43,896.35
43	01/06/2023	238,519.35	9,763.72	857.83	<b>8,905.89</b>	229,613.46	44,061.00
44	01/07/2023	229,613.46	9,763.72	824.44	<b>8,939.28</b>	220,674.18	44,226.19
45	01/08/2023	220,674.18	9,763.72	790.91	<b>8,972.80</b>	211,701.38	44,392.03
46	01/09/2023	211,701.38	9,763.72	757.27	<b>9,006.45</b>	202,694.93	44,558.51
47	01/10/2023	202,694.93	9,763.72	723.49	<b>9,040.23</b>	193,654.70	44,725.63
48	01/11/2023	193,654.70	9,763.72	689.59	<b>9,074.13</b>	184,580.57	44,893.35
49	01/12/2023	184,580.57	9,763.72	655.56	<b>9,108.16</b>	175,472.41	45,061.71
50	01/01/2024	175,472.41	9,763.72	621.41	<b>9,142.31</b>	166,330.10	45,230.66
51	01/02/2024	166,330.10	9,763.72	587.12	<b>9,176.60</b>	157,153.50	45,400.31
52	01/03/2024	157,153.50	9,763.72	552.71	<b>9,211.01</b>	147,942.49	45,570.55
53	01/04/2024	147,942.49	9,763.72	518.17	<b>9,245.55</b>	138,696.94	45,741.43
54	01/05/2024	138,696.94	9,763.72	483.50	<b>9,280.22</b>	129,416.72	45,912.96
55	01/06/2024	129,416.72	9,763.72	448.70	<b>9,315.02</b>	120,101.70	46,085.13
56	01/07/2024	120,101.70	9,763.72	413.77	<b>9,349.95</b>	110,751.75	46,257.94
57	01/08/2024	110,751.75	9,763.72	378.71	<b>9,385.01</b>	101,366.74	46,431.40
58	01/09/2024	101,366.74	9,763.72	343.51	<b>9,420.21</b>	91,946.53	46,605.55
59	01/10/2024	91,946.53	9,763.72	308.19	<b>9,455.53</b>	82,491.00	46,780.29
60	01/11/2024	82,491.00	9,763.72	272.72	<b>9,491.00</b>	73,000.00	46,955.77
RESIDUAL VALAORE		73,000.00			<b>73,000.00</b>	0.00	361,160.20
				585,823.20	74,823.15	<b>584,000.00</b>	1,354,654.57

Under IFRS 16 'Leases' the accounting of a lease with the lessee implies recognition in the statement of financial position of an asset (right to use the underlying asset) and a liability (liabilities arising from the lease).

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The rights of use of the leasing goods are depreciated linearly during the period of use of the respective equipment for 10 years, and for cars for the duration of 6 years. The value of the rights of use at 31.12. 2022 is 2,488,493 lei.

Also, in the statement of profit or loss and other elements of the overall result are the expenses with the depreciation of the right of use and with the interest. In 2022, the amortization expense related to the rights of use of the leased assets is 414,289 lei and the interest expense paid for the leasing contracts is 76,502 lei.

## 15. Stocks

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Raw materials and materials	2,981,154	2,407,533
Adjustments for depreciation of raw materials	(279,960)	(279,960)
Advances for stock purchases	566,048	3,634,357
Fixed assets held for sale	-	-
Production under execution	2,736,825	3,571,725
Finished product	11,817,368	16,616,271
Adjustments for depreciation of finished products packing	(1,041,614)	(891,277)
	12,197	16,862
<b>Total</b>	<b>16,792,018</b>	<b>25,075,511</b>

The company uses the FIFO method as an inventory valuation method.

Adjustments for depreciation of finished products also take into account the adjustment of the cost of finished products to net realizable value.

During 2022 there were no additional adjustments for the depreciation of raw materials, consumables and finished products, as compared to those recorded on 31.12.2021.

For products, in 2022 there were no adjustments for depreciation additional to those recorded on 31.12.2021 and adjustments for depreciation of finished products worth 150,336 lei were resumed to incomes.

The company has the stocks of finished products pledged in favor of RAIFFEISEN Bank and Banca Transilvania

## 16. Claims

	<b>31.12.2021</b>	<b>31.12.2022</b>
	<b>RON</b>	<b>RON</b>
Commercial receivables	18,668,635	21,795,686
Claims to the state budget	2,909,729	2,595,673
Other claims	3,543,139	4,203,215
Depreciation of trade receivables	(5,678,551)	(5,601,030)

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Impairment of other receivables	(287,064)	(287,064)
	<b>19,155,888</b>	<b>22,706,480</b>

Commercial receivables are not interest-bearing and are usually settled within 30-90 days. At 31 December 2019, the commercial receivables with an initial value of RON 1,328,356 were depreciated and fully provisioned. During 2021 and 2022, additional adjustments were made for the depreciation of commercial receivables and adjustments related to the receivables collected were resumed to revenues. A se vedea mai jos situatia provizioanelor pentru deprecierea creantelor:

	Depreciation of commercial receivables	Depreciation of other receivables	Total
	RON	RON	RON
<b>As 31 December 2021</b>	<b>5,678,551</b>	<b>287,064</b>	<b>5,965,615</b>
Increases during the exercise	-	-	-
Non-use resume sums on income	77,521	-	<b>77,521</b>
<b>As 31 December 2022</b>	<b>5,601,030</b>	<b>287,064</b>	<b>5,888,094</b>

Detailing claims 31 December 2022

Customers with unpaid invoices on 31.12.2022 the following structure:

- 1,873,801 RON - internal clients
- 14,214,932 RON - external customers
- 5,706,914 RON - uncertain customers

The main external customer is ZF ACTIVE SAFETY (former T.R.W. Automotive) with uncollected invoices in the amount of 9,493,036 RON, of which:

- ZF Braking System Poland – 5,905,514 RON
- ZF Automotive UK LTD – 2,807,498 RON
- ZF Active Safety Germany – 381,134 RON
- ZF Automotive LTDA Brazil – 398,890 RON

For the uncertain clients, provisions in the amount of RON 5,601,030 were set up.

For the VAT to be recovered for the months of November-December 2022 in the amount of RON 2,077,030, it was requested at DGAMC Bucharest the compensation with the debts to the General Consolidated Budget of the state.

Detailing claims 31 December 2021

Customers with unpaid invoices on 31.12.2021 the following structure:

- 1,910,900 RON - internal clients
- 10,914,646 RON - external customers
- 5,784,435 RON - uncertain customers

The main external customer is ZF ACTIVE SAFETY (former T.R.W. Automotive) with uncollected invoices in the amount of 8,021,184 RON, of which:

- ZF Braking System Poland – 4,567,170 RON
- ZF Automotive UK LTD – 2,855,500 RON
- ZF Active Safety Germany – 153,330 RON

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- ZF Automotive Czech S.R.O – 256,439 RON
- ZF Automotive LTDA Brazil – 170,724 RON
- ZF Active Safety France – 18,021 RON

For the uncertain clients, provisions in the amount of RON 5,678,551 have been set up.

For the VAT to be recovered for the months of November-December 2021 in the amount of 2,215,940 RON, it was requested at DGAMC Bucharest the compensation with the debts to the General Consolidated Budget of the state.

## 17. Cash and cash equivalents

As of December 31, 2022 and December 31, 2021, the net availabilities are as follows:

	31.12.2021	31.12.2022
	RON	RON
Cash at the cash desk	1,643	93
Cash at banks	87,624	58,173
Depozite pe termen scurt	2,604	-
	<b>91,871</b>	<b>58,266</b>
Discovered bank account (note 14)	(19,080,944)	(19,389,278)
<b>Cash and cash equivalents</b>	<b>(18,989,073)</b>	<b>(19,331,012)</b>

In order to present the cash flow statement, the Company did not take into account the bank overdraft.

Cash at banks records interest rates at varying rates according to the daily bank deposit rates. Short-term deposits are set up for variable periods between one day and three months, according to the immediate cash requirements of Altur SA, and interest on those short-term deposit rates.

Generally, at reporting dates, the Company uses overdraft facilities (working capital overdraft) employed almost entirely.

## 18. Share capital and legal reserve

### 18.1 Share capital

	Number of shares	Nominal value RON	Social capital RON	capital premium RON	Total RON
Balance at 1 ianuarie 2022	824,388,338	0.1	82,438,834	1,135,150	83,573,984

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Changes on 01.01 - 31.12.2022	(518,339,668)	(51,833,967)	-	(51,833,967)	
<b>Balance at 31 decembrie 2022</b>	<b>306,048,670</b>	<b>0.1</b>	<b>30,604,867</b>	<b>1,135,150</b>	<b>31,740,017</b>

At the beginning of the financial year 2021, the subscribed share capital of SC ALTUR SA was 82,438,834 RON, representing 824,388,338 shares with a nominal value of RON 0.1. During the first quarter of 2022, the share capital was reduced by the amount of 51,833,967 lei representing a number of 518,339,668 shares, following the Decision no.3 of the AGEA dated 18.10.2021.

The shareholding structure at 31 December 2022 and 31 December 2021 is the following:

<b>Shareholding structure as at 31 December 2022</b>	<b>Number Actions</b>	<b>Value RON</b>	<b>%</b>
Andrici Adrian	96,143,530	9,614,353	31.4145
Mecanica Rotes SA	86,153,840	8,615,384	28.1504
Other shareholders legal entities	63,221,376	6,322,138	20.6573
Other shareholders who are natural persons	60,529,924	6,052,992	19.7779
<b>TOTAL</b>	<b>306,048,670</b>	<b>30,604,867</b>	<b>100</b>

<b>Shareholding structure as at 31 December 2021</b>	<b>Number Actions</b>	<b>Value RON</b>	<b>%</b>
Mecanica Rotes SA	232,068,388	23,206,839	28.1504
Andrici Adrian	230,693,793	23,069,379	27.9836
Other shareholders legal entities	204,933,927	20,493,393	24.8589
Other shareholders who are natural persons	156,692,230	15,669,223	19.0071
<b>TOTAL</b>	<b>824,388,338</b>	<b>82,438,834</b>	<b>100</b>

## 18.2 Legal reserve

The legal reserve is created in accordance with the provisions of the Companies Law, according to which 5% of the annual accounting profit is transferred within the legal reserves until their balance reaches 20% of the Company's share capital. If this reserve is used wholly or partially to cover losses or to distribute in any form (such as the issuance of new shares under the Companies Act), it becomes taxable. The management of the Company does not expect to use the legal reserve in such a way that it becomes taxable (except as provided by the Fiscal Code, where the reserve constituted by the legal entities providing utilities to the companies that are being restructured, reorganized or privatized may be used to cover the losses of value of the share package obtained as a result of the debt conversion procedure, and the amounts intended for its subsequent reconstruction are deductible in calculating the taxable profit).).



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The company established in 2022 the legal reserve within the limit of 5% of the accounting profit, respectively the amount of 123,946 lei. In 2021, the legal reserve was not established, registering a loss.

## 19.Subsidies for investments

### Claims related to subsidies

On January 1st  
 Received in the course of the exercise /  
 (reduction of the cash grant)  
 Receiving subsidy  
 At the end of the reporting period

	31.12.2021	31.12.2022
	RON	RON
	0	0
	-	-
	-	-
	<b>0</b>	<b>0</b>

### Debts relating to subsidies

On January 1st  
 Received during the exercise / (subsidy  
 reduction to be received)  
 Transferred to the profit and loss account  
 At the end of the reporting period

	31.12.2021	31.12.2022
	RON	RON
	1,111,859	401,833
	(710,026)	(401,833)
	<b>401,833</b>	<b>0</b>

SC ALTUR SA realized the investment project POS CCE 153210 / 05.04.2011 co-financed by European funds and state budget within the program "Company Efficiency by Modernizing Production Processes and Increasing the Integration of Production" administered by the Ministry of Commerce and Environment of Business, with the total amount of eligible expenditures of RON 15,615,129.60, of which non-reimbursable funds amounting to RON 7,807,565. From this value, the amount of 2,730,000 ron in 2011 was granted as pre-financing, representing 35% of the amount of the non-reimbursable financing of the project. In 2012 was repaid the first installment of the repayment claim nr.1, the tranche amounting to RON 339,646. The maximum duration of the contract is 5 years from the date of acceptance of the financing (April 5, 2011).

In 2013 were collected the second installment for claims No.1 amounting to 586,370 RON, the amount of RON 1.3461 million related to demand repayment amount of 1,330,724 RON No.2 and related reimbursement request no.3.

In the first quarter of 2014, the third tranche related to the repayment application no. 1 was collected in the amount of 596,871 RON.

The non-existent part of the project in the total value of 22,096,763 RON was financed by a loan from Raiffeisen Bank SA. According to the loan agreement, a first-rank pledge is imposed on the equipment and the equipment purchased. See Note 14.1..

Below is the breakdown of subsidies after the estimated time of income recognition, long-term and short-term:

31.12.2021	31.12.2022
RON	RON

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Short term	401,833	-
Long term	-	-
<b>Total</b>	<b>401,833</b>	<b>-</b>

## 20. Suppliers and other current liabilities

	31.12.2021	31.12.2022
	RON	RON
Commercial debt	21,130,327	16,205,699
Debts to the state budget	1,601,156	836,043
Advances received	1332,603	-
Other debts	4,301,007	7,954,409
Personal benefits owed	887,449	892,029
	<b>29,252,542</b>	<b>25,888,180</b>

Commercial debts are not interest-bearing and are usually settled within 60 – 90 days. Other debts are not interest-bearing. Payment interest is usually settled quarterly throughout the financial year.

### Debt Details on 31 December 2022

The main unpaid suppliers are as follows:

- SC ALRO SA with a balance of RON 11,974,614 representing 73.89% of the total outstanding suppliers.
- SPEEH Hidroelectrica SA with a balance of 1,440,917 RON representing 8.89% of the total unpaid suppliers.

For the debts to the General Consolidated State Budget registered on 31 December 2022 in the amount of 836,043 lei related to December 2022, the compensation with the VAT to be recovered was requested at DGAMC Bucharest, the amount of 836,043 lei was requested.

### Breakdown of debts as at 31 December 2021

The main outstanding suppliers are as follows:

- SC ALRO SA with a balance of 12,288,592 RON representing 58.16% of the total outstanding suppliers.
- ENGIE Romania with a balance of RON 2,261,513 representing 10.7% of the total outstanding suppliers.
- SPEEH Hidroelectrica SA with a balance of RON 820,418 representing 3.88% of the total outstanding suppliers.

For the debts to the general consolidated state budget registered on 31 December 2021 in the amount of 1,601,156 lei related to November - December 2021, compensation with the VAT to be recovered was requested at DGAMC Bucharest.

## 21. Outcome per share

The basic share result is calculated by dividing the share of the company's shareholders' share in the weighted average number of ordinary shares outstanding during the year, with the exception of ordinary shares acquired by the company and held as own shares..

	<b>31 decembrie 2021</b>	<b>31 decembrie 2022</b>
	<b>RON</b>	<b>RON</b>
Net profit attributable to shareholders / (loss)	(7,018,340)	2,478,913
Average number of shares	824,388,338	306,048,670
<b>Net profit / loss () per share</b>	<b>(0.008)</b>	<b>(0.008)</b>

The diluted earnings per share is equal to the result per share.

The overall earnings per share is calculated by dividing the overall result of the Company's shareholders by the weighted average number of ordinary shares outstanding during the year, except for ordinary shares acquired by the Company and held as own shares.

	<b>31 decembrie 2021</b>	<b>31 decembrie 2022</b>
	<b>RON</b>	<b>RON</b>
Overall result attributable to shareholders	(7,018,340)	2,478,913
Average number of shares	824,388,338	306,048,670
<b>Overall result per share</b>	<b>(0.008)</b>	<b>(0.008)</b>

## 22. Commitments and contingencies

### *Warranties for contractual obligations*

#### **Insurances**

In 2022 and until the end of 2021, the Company has concluded the following insurances:

- ensuring civil liability towards third parties;
- Assurance for the main clients of TRW Automotive and Continental Teves
- insurance of buildings and assets from the company's patrimony - for all assets pledged to credit institutions;
- other types of insurance (especially for vehicles in the Company's car park).

#### Transfer price

In accordance with the relevant tax legislation, the tax assessment of a related party transaction is based on the concept of the market price of that transaction. Based on this concept, transfer prices must be adjusted to reflect the market prices that would have been established between unrelated entities acting independently on normal market conditions basis.

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It is likely that checks on transfer prices will be carried out in the future by the tax authorities to determine whether those prices comply with normal market conditions principle and that the Romanian taxpayer's tax base is not distorted.

## **23.Financial risk management objectives and policies**

The Company's main financial liabilities are trade payables and loans from banks. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations.

The Company's main financial assets are trade receivables, cash and cash equivalents, bank deposits, financial investments in listed and unlisted companies (including subsidiaries).

As at 31 December 2022 and 31 December 2021, the carrying amount is estimated to be approximately equal to the fair value for all financial assets and liabilities of the Company, due to short maturity and/or interest rate changes (for variable interest) as well as due to the fact that the shares held in listed companies have been adjusted to market value at the reporting date.

The Company is mainly exposed to credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below.

### **Market risk**

Market risk is the risk that the fair value of an instrument's future cash flows will fluctuate due to changes in market prices. There are four types of market price risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price risk.

#### Commodity price risk - aluminium

Management considers that the Company is not exposed to price risk, as the determination of the selling price to the Company's customers takes into account the purchase price of the raw material depending on the evolution of the main aluminium market, the London Metal Exchange. The sales prices in the contracts are updated periodically (mainly quarterly) according to the evolution of the LME quotation for aluminium.

#### Interest rate risk

Interest-driven cash flow risk is the risk of changes in interest expense and interest income due to variable interest rates. The Company has borrowings that bear interest at a variable rate, exposing the Company to cash flow risk. Details of the interest rate applied to the Company's borrowings are disclosed in Note 14.1 (borrowings from banks).

#### Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange

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rates relates mainly to the Company's operating activities (where income or expenses are denominated in a currency other than the Company's functional currency).

The Company has transactions in currencies other than its functional currency (RON), mainly for sales to external customers, which are denominated in EUR.

As at 31 December 2022 and 31 December 2021, the Company's assets and liabilities denominated in a currency other than RON generated a net exposure as follows:

	Monetary assets		Monetary debts	
	31.12.2021	31.12.2022	31.12.2021	31.12.2022
	RON	RON	RON	RON
USD	1,814	1,901	-	-
EUR	13,530,542	20,251,146	8,871,113	19,401,837

Therefore, the Company considers that, by the specific nature of its business, it reduces its net exposure to exchange rate fluctuations by having both assets and liabilities in EUR (the currency to which it has the largest exposure).

#### **Credit risk**

Credit risk is the risk that a counterparty will fail to meet its obligations under a financial instrument or customer contract, thereby resulting in a financial loss. The Company is exposed to credit risk from its operating activities (mainly for trade receivables) and from its financial activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

#### Trade receivables

Customer's credit risk is managed by the Company, subject to a policy established by management, whereby the risk class (rating) for each customer and related credit limits are calculated.

The balance of receivables is monitored at the end of each reporting period and any major deliveries to a customer are reviewed. Impairment indicators are analysed at each reporting date, based on the payment arrears intervals and other specific information on individually significant debtors.

The maximum exposure to credit risk at the reporting date is represented by the carrying amount of receivables as disclosed in Note 16.

#### Cash and cash equivalents, other financial assets

Credit risk arising from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policies.

The Company's maximum exposure to credit risk for cash and cash equivalents is disclosed in Note 14. The Company limits the maximum exposure to each banking institution and has current accounts and deposits only with banks of very good standing.

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**Liquidity risk**

The Company monitors its risk of facing a shortage of funds using a recurring liquidity planning tool. The Company carefully plans and monitors its cash flows to prevent this risk, and also has access to funding from major partner banks.

**Capital management**

Capital includes share capital and reserves attributable to shareholders. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and normal capital ratios to support its business and maximise shareholder value.

The Company's policy is to generate sufficient liquidity to enable it to meet its obligations as they fall due.