

# Current Report

No.16/28.02.2024

To: Financial Supervisory Authority  
Bucharest Stock Exchange

Current report in compliance with the stipulations of the Law no. 24/2017 (republished) and of the FSA Regulation no.5/2018 (including the subsequent amendments) regarding the issuers of financial instruments and market operations

Date of report: **28.02.2024**

Name of issuer: **ALRO S.A.**

Headquarters: **Slatina, 116 Pitesti Street, Olt County**

Telephone/ fax number: **+40 249 431 901 / +40 249 437 500**

Sole registration number at the Trade Register Office: **RO 1515374**

Trade Register Number: **J28/8/1991**

The European Unique Identifier (EUID): **ROONRCJ28/8/1991**

Legal Entity Identifier (LEI): **5493008G6W6SORM2JG98**

Subscribed and paid-in share capital: **356,889,567.5 RON**

Regulated market on which the issued shares are traded: **Bucharest Stock Exchange – Premium Tier Category** (market symbol: **ALR**)

We hereby inform all persons who may be interested about the following **important event to be reported**:

## Press Release

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### **ALRO registered a preliminary consolidated turnover of RON 2.85 billion in 2023**

*Slatina, 28 February 2024* – ALRO S.A. (BSE: ALR, “the Company” or “ALRO”), one of the largest vertically integrated aluminium producers in Europe, measured by production capacity, announces today its Preliminary Consolidated and Separate Financial Results for the year 2023. The Group registered a turnover of RON 2.85 billion, in 2023, lower by 16% compared to the previous year, in line with the decrease of the international aluminium quotations and the slow down of the business environment.

**“The international aluminium market continued to be very challenging in 2023, with lower demand for some of our products and still elevated energy prices that impacted our final result. However, once again, our investments and development plan proved to be correct and helped us partially offset the downturn,”** said Marian NĂSTASE, Chairman of ALRO’s Board of Directors. **“As a result, we increased the sales for specific processed aluminium products, while continuing to invest in technology that helps us diversify our products’ portfolio and increase operational efficiency”**, added Marian NĂSTASE.

#### **Market Update**

The aluminium quotations on London Metal Exchange (LME) decreased by 16% in 2023, compared to 2022, with the average three months seller contracts standing at 2,285 USD/tonne, down from 2,713 USD/tonne, registered in 2022. While August brought the lowest LME quotation (2,123 USD/tonne), in Q4 the market showed slight signs of improvement, the quotations reaching 2,224 USD/tonne (still lower compared to Q4 2022 when it stood at 2,345 USD/tonne). While, in Q4 2023, the LME was 5% lower compared to the same period of 2022, the Group’s quarterly turnover was increased 4% compared to Q4 2022, thanks to its focus on increasing the sales for high added value products.

At European level, 2023 was characterised by a high offer of aluminium products due to distributors efforts to sell inventories, but also by high imports, mainly from China, on the back of a slowdown of the economy in general, that put further pressure on final prices and demand.

At local level, while the energy prices showed slight signs of decrease as a result of the authorities efforts to stabilise the market, ALRO Group still faced high costs with energy coming from previous contracts.

### **Financial and Operational Update**

While the sales for 2023 decreased compared to 2022 for both primary and processed segments, the last quarter of 2023 showed signs of improvement. Thus, the sales revenues for the Primary Segment increased in Q4 2023 by 32%, compared to Q4 2022, although for the full year 2023, it stood at the same level as that recorded in 2022. The sales for wire rod increased by almost 14,000 tonnes, in 2023 compared to 2022, in Q4 2023 being higher by 5,700 tonnes compared to Q4 2022. The Processed Segment registered higher volumes for specific products in Q4 2023 as well, the flat rolled aluminium sales increasing by 5,200 tonnes compared to Q4 2022.

Despite a weak aluminium market, the Group's investments in state-of-the-art technology paid off, further securing contracts for very sophisticated products for exclusive markets such as aerospace or engineering. Thus, last year, ALRO entered in new agreements for high and very high aluminium supply to aerospace industry, general engineering and automotive.

Moreover, the Group continued its investments programme, with another USD 15 million, aimed at decarbonizing the technological process and increasing competitiveness, in parallel with alignment with the latest requirements and recommendations in the field of environmental protection. It also inaugurated a USD 11 million investment in technology and environment protection at its Eco Recycling Facility in Slatina, aimed at reducing operational costs through using more recycled aluminium in its production process.

ALRO Group paired the investments programme in technology with its efforts to gain more customers, upgrading its sales and marketing strategy and focusing its attention on fairs and meetings with potential clients from strategic fields (aerospace, engineering, so on).

The Group also extended until 2026 the working capital credit facilities providing financial stability for the next three years.

*These preliminary financial results are available in a separate document on the Company's website, Investor Relations category, Reports section: <http://www.alro.ro/en/reports> and at the below link:*

**Marian-Daniel NĂSTASE**  
Chairman of the Board of Directors

**Gheorghe DOBRA**  
Chief Executive Officer

**For further information, please contact:**

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**Notes to the Editors:**

#### **ALRO Group**

The companies' part of ALRO Group are: ALRO S.A. – manufacturer of aluminium, ALUM S.A. – producer of alumina, Vimetco Extrusion S.R.L. – extrusion business line, Conef S.A. – holding and management company,

Vimetco Trading – aluminium sales and until 1 September 2023 Sierra Mineral Holdings I, Ltd. – bauxite mining, Global Aluminium Ltd. – holding company and Bauxite Marketing Ltd – marketing.

**ALRO**

ALRO is a subsidiary of Vimetco PLC (Republic of Cyprus), a global, vertically-integrated primary and processed aluminium producer. The structure of ALRO shareholders is: Vimetco PLC (54.19%), Paval Holding (23.21%), Fondul Proprietatea (10.21%) and others (12.39%).

ALRO is one of the largest vertically integrated aluminium producers in Europe, by production capacity, with a production capacity of 265,000 tpa of electrolytic aluminium, an Eco-Recycling capacity reaching 100,000 tpa by the end of 2023, resulting in a production of recycled liquid aluminium of 94,000 tpa. The capacity of the Aluminium Cast House is 315,000 tpa and the processing capacity is 140,000 tpa of cold and hot rolled facilities and extrusion division.

The main market for ALRO products is represented by the European Union; the Company exports its products to the USA and to the Asia as well. ALRO is ISO 9001 certified for quality management and has NADCAP and EN 9100 certificates for aerospace production organizations, ALRO products adhere to the quality standards for primary aluminium on the LME, as well as international standards for flat rolled products.

Since 2020, ALRO and Vimetco Extrusion have been members of ASI (Aluminium Stewardship Initiative), an international association that contributes to enhancing sustainability in the global aluminium sector. In January 2023, ALRO achieved the first certification in Europe under ASI's Third version of Performance Standards.