



Half-year Report 2025

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Half-year Report 2025

Financial and Operational Highlights for H1 2025

ALRO GROUP

Indicator	H1 2025	H1 2024
Primary aluminium production (tonnes)	132,604	121,851
Processed aluminium production (tonnes)	67,867	61,335
Primary aluminium sales (tonnes)	42,256	38,998
Processed aluminium sales (tonnes)	67,392	61,966
Sales (thousand RON)	2,009,026	1,697,071
EBITDA ¹ (thousand RON)	95,242	201,362
EBITDA margin (%)	5%	12%
Net result (thousand RON)	17,073	8,447
Adjusted net result ² (thousand RON)	29,061	23,822
Earnings per share (RON)	0.024	0.012

ALRO S.A.

Indicator	H1 2025	H1 2024
Primary aluminium production (tonnes)	132,604	121,851
Processed aluminium production (tonnes)	49,543	44,880
Primary aluminium sales (tonnes)	61,747	57,966
Processed aluminium sales (tonnes)	49,158	45,256
Sales (RON '000)	1,887,245	1,581,926
EBITDA ¹ (RON '000)	95,726	172,966
EBITDA margin (%)	5%	11%
Net result (RON '000)	33,539	(2,053)
Adjusted net result ² (RON '000)	45,891	12,519
Earnings per share (RON)	0.047	(0.003)

¹ **EBITDA**: Earnings before interest, taxes, depreciation, amortization and impairment. For the reconciliations of EBITDA at ALRO Group level, and for ALRO, respectively, please see page 19 of this Report.

² **Adjusted Net Result**: represents the net result plus/(minus) non-current assets impairment, plus/(minus) the loss/(gain) from derivative financial instruments for which hedge accounting was not applied, plus/(minus) deferred tax. For the reconciliations of the Adjusted Net Result at ALRO Group level, and for ALRO, respectively, please see page 19 of this Report.

Half-year Report 2025



CAUTIONARY STATEMENT

This Report is supplied to you solely for your information and may not be reproduced in any form, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, by any medium or for any purpose. Failure to comply with this restriction may constitute a violation of applicable securities laws.

Certain statements included within this Report may contain (and oral communications made by us or on our behalf may contain) forward-looking information, including, without limitation, those relating to (a) forecasts, projections and estimates, (b) statements of management's plans, objectives and strategies for ALRO/ ALRO Group, such as planned expansions, investments or other projects, (c) targeted production volumes and costs, capacities or rates, start-up costs, cost reductions and profit objectives, (d) various expectations about future developments in ALRO/ALRO Group's markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, as well as (i) statements preceded by "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar statements.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized.

Factors that could cause these differences include, but are not limited to: our continued ability to reposition and restructure our upstream and downstream aluminium business; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in ALRO/ALRO Group's key markets and competition; and legislative, regulatory and political factors. No assurance can be given that such expectations will prove to have been correct.

ALRO/ALRO Group disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Note 1: In this report, the terms "ALRO Group" and "the Group" are sometimes used for convenience where references are made to ALRO S.A. and its subsidiaries, in general, and the terms "Company" and "Parent-company" are sometimes used for convenience where references are made to ALRO S.A.

The financial statements included in this report are unaudited and present the individual and consolidated financial results of Alro and Alro Group that have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, which is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, except for the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, except for the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense. These exceptions do not affect the compliance of the financial statements of the Group and the Company with IFRS Accounting Standards, as adopted by EU.

The indicators/ figures included in this report may be rounded to the nearest whole number and therefore minor differences may result from summing and comparison with exact figures mentioned in the financial statements.

Note 2: A list of all abbreviations and definitions used in this report can be found on 42.

Letter to shareholders



*Marian NĂSTASE,
Chairman*



*Marin CILIANU,
Chief Executive Officer*

Dear readers and shareholders,

We are pleased to present to you the strong financial and operational results that reaffirm the solidity of our long-term vision and the enduring resilience of ALRO's integrated business model. This performance reflects both the trust you have placed in us and the unwavering dedication of our team to sustainable growth and continuous innovation.

Solid Financial Performance and Strategic Focus

In the first semester of 2025, ALRO recorded improved sales and higher net profit. These achievements are the direct outcome of several strategic drivers:

- **The focus on high and very high value-added products** - particularly for the aeronautical,

automotive, and engineering sectors, where market demand remains robust;

- **The commitment to quality**, with ALRO successfully passing all third-party and customer audits - an external validation of the excellence embedded in our products, services, and procedures;
- **The continued investment in technology and people**, aimed at enhancing energy efficiency, increasing the share of premium products, reducing our carbon footprint, and ensuring secure, reliable processes that prioritize employee safety.

Letter to shareholders (cont.)

The People Behind the Progress

At the heart of ALRO's success are our employees. From those working in production—often behind the scenes—to the sales teams representing us on global markets, every individual has contributed to our accomplishments. Thanks to their efforts, we have:

- Expanded our market footprint;
- Strengthened relationships with existing customers;
- Secured new partnerships across key industries.

This year, we proudly celebrate two major milestones made possible by their dedication:

- **60 years of industrial excellence and 28 years of continuous listing on the Bucharest Stock Exchange** - clear indicators of ALRO's long-term stability and reliability for our shareholders.

Our Commitment to You

None of these achievements would have been possible without **your trust and enduring support**. On behalf of everyone at ALRO, we thank you for standing by us as we navigated challenges and built one of Europe's largest vertically integrated aluminium producers.

As we move forward, **we remain firmly committed to responsible development, energy-efficient solutions, and long-term value creation - for you, valued stakeholders, and for the communities we support.**

Thank you for your continued confidence in ALRO!

*Marian NĂSTASE,
Chairman of the Board of Directors*

*Marin CILIANU,
CEO*

Main events in the first half of 2025

January - June 2025

Market overview

Market evolution

The first half of 2025 presented a complex and evolving landscape for the global aluminium market. Prices continued the recovery trajectory that began in late 2024, reflecting tightening supply conditions, geopolitical shifts, and demand resilience in select industrial sectors.

LME 3-month aluminium prices consistently hovered between USD 2,500/t and USD 2,600/t throughout the first half of the year, a level that signifies stability yet also underscores underlying tightness. Starting at approximately USD 2,502/t in January 2025, prices experienced a gradual but sustained upward movement, reaching around USD 2,580/t by July. This upward price pressure is primarily attributed to constrained physical availability in the global market, exacerbated by critical supply-side disruptions and macroeconomic uncertainties. We witnessed however a downturn in April - May 2025, mainly on the uncertainty and volatility induced by USA's Administration position on trading tariffs.

One of the clearest indicators of physical market tightness has been the steep and continuous decline in LME warehouse inventories. From peaks of over 1.1 million tonnes in April 2024, aluminium stocks in LME-monitored warehouses fell constantly throughout 2024 and into 2025, reaching approximately 322,000 tonnes by mid-June 2025. This represents some of the lowest stock levels recorded in recent years.

Supply Constraints and Structural Tightening

The tightening supply scenario in 2025 is largely driven by structural constraints within the industry. In China—the world's largest producer—the government's long-standing capacity ceiling of 45 million tonnes (introduced to address overcapacity and environmental concerns) continues to act as a hard limit on new production expansions. Current Chinese production is already near this ceiling, with output figures exceeding 43 million tonnes in 2024. Growth in Chinese output is therefore expected to slow to just 2% in 2025, further limiting global supply growth.

Compounding this constraint, high alumina prices are pressuring smelters worldwide. In key regions such as China, Russia, and Indonesia, operators have been forced to cut production or delay expansion plans due to rising input costs. Russian aluminium exports remain restricted by ongoing geopolitical sanctions, particularly from Western economies, further reducing available material on the international market. The removal of China's export tax rebate on aluminium products from December 2024 adds another layer of complexity, as Chinese exports are expected to decline by up to 9% in 2025, tightening global availability and potentially supporting international price levels.

As a result of these converging supply-side factors, leading industry analysts are forecasting a shift in the market balance. After a small surplus in 2024, the aluminium market is now projected to register a

small structural deficit of around 8,000 tonnes in 2025, with deficits expected to widen in 2026, possibly exceeding 365,000 tonnes. This marks the beginning of what could be a sustained period of supply tightness.

Global primary aluminium production increased by 1.4% YoY in 1Q 2025 and continued to advance in 2Q 2025 by 2% YoY and 1.2% QoQ, according to International Aluminium Institute (IAI) data. The growth was mainly generated by China (+2.5% YoY) and, to a smaller extent by Europe including Russia, while the aluminum production from North America contracted in the first half of 2025. A contraction was seen in the Gulf area as well.

Demand Dynamics and End-Use Sectors

On the demand side, the picture remains nuanced. While traditional drivers such as construction and manufacturing have been relatively subdued—particularly in China and Europe—other key sectors continue to provide support. Electric vehicles (EVs), renewable energy infrastructure, aerospace, and general engineering are maintaining steady consumption of aluminium products. The emphasis on lightweight materials and sustainable solutions ensures that aluminium remains a material of choice for these applications, providing a foundation of demand even amid broader macroeconomic uncertainties.

In China, many producers have reduced operating rates, according to CRU's monthly monitor. Several key industries, including construction, solar PV, and air conditioning, are entering a downturn. The auto sector also seems poised for a slowdown in the coming months. Most extruders reported softer orders from the construction sector, while rolling mills are facing weakening demand and rising inventories.

In Europe, anticipatory actions by producers and traders supported strong exports and industrial production, while lower LME 3-month prices witnessed in April - May as well as weaker premiums encouraged end customers to place orders, potentially replenishing inventories. European FRP and extrusion producers also benefited from accelerated orders in 1Q 2025, as well as in April and May. After that, market activity appeared to be returning to more "normal" levels, still characterized by weak demand.

New trends are also emerging for European FRP's, according to CRU, most notably, the case for rising defence and infrastructure-related demand following the recent agreement among NATO countries to increase defence spending. The agreement outlines a commitment to allocate 5% of GDP to defence, including 3.5% for core defence spending and 1.5% for defence and security-related investment, such as infrastructure and resilience. In line with this trend, the International Paris Air Show at Le Bourget was reportedly very busy this year.

More recently, in June, the Economic Sentiment Indicator (ESI) declined to its lowest level in the past 12 months, primarily due to weakening confidence in the industrial sector. With various deadlines in July and, now, in August, for raising reciprocal tariffs, it's clear that trade-related volatility and broader uncertainty will affect the market for a while.

Main events in the first half of 2025 (continued)

Trade tariffs have introduced uncertainty and elevated price volatility. However, North American FRP demand has so far held up reasonably well. Domestic shipments were down 2.1% YTD through April but showed a slight y/y improvement in the latest monthly data.

Overall, at macro level, certain risks persist. Economic indicators such as the composite PMI, consumer confidence, and inflation forecasts suggest potential headwinds in Europe, especially if anticipated rate cuts from the ECB and Federal Reserve do not materialize as quickly as hoped. In North America, demand shows potential upside, particularly if tariff barriers on Chinese products redirect consumption towards domestic and alternative suppliers.

Energy market updates

Compared to the previous year, the liquidity of the markets in Europe has shown signs of increase, but still remaining volatile and influenced by conflicts in Ukraine and in the Middle-East, but with a higher resilience than before.

The Romanian Market is in the price range of 575-585 lei/MWh for quantities with delivery in 2026, and the average base price on the day ahead market for 2025 (up to this date) is 546.47 RON/MWh.

The European markets have lower trading prices, with Hungary in the range of 113-115 EUR/MWh, respectively Germany with a higher volatility and trading prices between 86 – 93 EUR/MWh.

All of the markets are still highly influenced by the gas price, that traded around 35-42 EUR/MWh with delivery in 2026, due to the conflict in Iran and the EUA trading price that revolves around 68 - 75 EUR/EUA, therefore determined the Clean Spark Spread (the profitability of producing 1 MWh of electrical energy from natural gas sources and accounting for the cost of the carbon emission), that puts a toll on the marginal price.

Starting 1 July 2025, the end-consumers in Romania are no longer protected by the government ordinance 27/2022, therefore the prices are no longer capped for the electrical energy.

Green Certificates updates: during the Government meeting held on 27 March 2025 the Emergency Ordinance 20/2025 was approved regarding the establishment of a state aid scheme for exempting certain categories of end consumers from the application of Law no. 220/2008 on the establishment of the system for promoting the production of energy from renewable sources and published in the Official Gazette on 31 March. Through this ordinance, the exemption is extended until the year 2030 and ALRO continues to qualify for an 85% exemption.

Compensation scheme updates: also approved in the Government meeting of 27 March, 2025, and published in the Official Gazette on 31 March is Emergency Ordinance (OUG) 19/2025 for the amendment and completion of Government Emergency Ordinance no. 138/2022 regarding the establishment of a state aid scheme granted to enterprises in sectors considered to be at real risk of carbon leakage due to the significant indirect costs they effectively bear as a result of the pass-through of greenhouse gas emission costs in the price of electricity. This ordinance approve subsidy payment in maximum two installments per year.

ALRO submitted the files, in due time, for both of the state aid schemes.

At European level, certain measures are being taken to support the local businesses. Among the most significant initiatives are the following:

On 26 February 2025, the Commission adopted the Communication on The Clean Industrial Deal: A joint roadmap for competitiveness and decarbonization ('Clean Industrial Deal') COM(2025) 85 final. The Clean Industrial Deal sets out actions to improve access to affordable energy, to boost demand and supply of clean tech products, to unlock public and private investments, to power the circular economy, to develop international partnerships and to secure skills and quality jobs for social fairness.

Also on 26 February 2025 the Commission adopted Action Plan for Affordable Energy. The action plan presents measures to lower energy bills in the short term, while accelerating the implementation of much-needed cost-saving structural reforms and strengthening our energy systems to mitigate future price shocks.

On 11 March 2025 the Clean Industrial Deal State Aid Framework (CISAF) was launched in the public consultation that sets out the conditions under which Member States can grant support for certain investments and objectives in line with EU State aid rules. Under the Framework, the Commission will authorize aid schemes introduced by Member States to boost clean industry, enabling the swift roll-out of individual aid. CISAF was adopted as of 25 June 2025, and remains in force until 31 December 2030.

On 19 March 2025 the Commission adopted the Communication on A European Steel and Metals Action Plan designed to strengthen the sector's competitiveness and safeguard the industry's future.

Aluminium is 100% recyclable and can be reused indefinitely, which makes it a decarbonization vector for all the other industries where it is used

Main events in the first half of 2025 (continued)

April 2025

Annual General Meeting of Shareholders ALRO

ALRO (ALR, Premium segment): On 29 April 2025, ALRO's Ordinary ("AGSM") General Shareholders' Meeting took place. During the meeting, among the items that were approved by the shareholders, such as the Annual Report for 2024, the Remuneration report for 2024, as well as the Budget for 2025, the Investment plan for 2025 and the Activity program for 2025.

ALUM (BBGA, AeRO segment): ALUM held its Ordinary General Shareholders' Meeting on 30 April 2025. Some of the business and administrative items included in the meeting's agenda and subsequently voted for, were: the Directors' Report and the financial statements for 2024, the Income and Expense Budget, the Investment Plan and the Activity Program for 2025.

Commissioning of a cutting saw for aluminium plates

ALRO announced the commissioning of another cutting saw for aluminium plates, following a RON 8 million investment. The new cutting saw enables ALRO to offer aluminium plates tailored to specific technical requirements, reduce waste and improve efficiency, while supporting the increase in the output of high and very high value-added aluminium products. The commissioning of this equipment comes after another investment focused on developing ALRO's product range and capabilities, namely the CUTSMART SYSTEMS facility, inaugurated with a RON 13.7 million investment, as part of ALRO's strategic transition towards higher-value products and services, offering customers ready-to-use aluminium components instead of raw materials that require additional processing.

June 2025

ALRO's participation to the 55th International Paris Airshow Le Bourget

In June 2025, Alro took place in the International Paris Air Show is organized by SIAE (Salon International de l'Aéronautique et de l'Espace), a subsidiary of the French Aerospace Industries Association (GIFAS). It is the largest event in the industry, bringing together stakeholders from around the world. The event embodies excellence, innovation, and international cooperation in the aerospace sector. It is a tradition for Alro to participate in this great fair in order to promote itself globally and attract new business partnerships.

Alro's 60th anniversary

On 30 June 2025, Alro celebrated 60 years of uninterrupted activity since the first batch of Romanian aluminium produced at the Aluminium Plant in Slatina. With an electrolytic aluminium output of 8,000 tons per year, exclusively of ingots at the time of its establishment, ALRO has now reached an output of about 370,000 tonnes per year. Since the time of its establishment, pursuing its clear development strategy, Alro and its subsidiaries have continuously expanded the production and have diversified the range of products by focusing on high and very high value-added aluminium products instead of the initial plain aluminium ingots. This progress has been driven by the consistent investments made over time in state-of-the-art technologies, which allowed the Group to strengthen the list of customers operating in competitive and sophisticated industries such as: aerospace, automotive and general engineering, and to become a major player in the aluminium market.

July 2025

Commissioning of a new electric furnace for aluminium alloy plates ageing

In July, Alro announced the commissioning of the aluminium alloy aging furnace with electric heating, following a total investment of RON 11.5 million. This advanced electric furnace will replace three gas-powered units, streamlining heat treatment operations in ALRO's Processed Aluminium Division. The project will optimize the heat treatment process (artificial aging) by enhancing the equipment efficiency and ensuring a more precise control of temperature and other critical parameters. This will result in a more efficient output of top quality high added-value aluminium.

28 years of listing on BSE

On 15 July 2025, Alro celebrated 28 years of being listed on the Bucharest Stock Exchange during an event . On 16 October 1997 – two years after the reopening of the stock exchange – ALRO's shares (BVB: ALR) were listed on the BVB's Regulated Market, making the company one of the longest continuously listed issuers, which has contributed since then to the image of the capital market, and standing as an example in terms of stability of a company.

General information

ALRO S.A.

Company	ALRO S.A.
Company's address	116 Pitesti Street, Slatina, Olt County
Telephone number	+40 249 431 901
Fax number	+40 249 437 500
Registration number in the Trade Register	J1991000008282
Fiscal code	RO1515374
Class, type, number and main features of the financial instruments issued by the company	Registered dematerialised and ordinary shares
Subscribed share capital, fully paid up	RON 356,889,567.5
The European Unique Identifier (EUID)	ROONRC.J1991000008282
Legal Entity Identifier (LEI) Code	5493008G6W6SORM2JG98
Organised market on which shares and stocks are traded	Bucharest Stock Exchange: Regulated Market (BSE symbol: ALR)
Total market value for each class of shares	Premium Tier Category 1,070,668,702.5 ¹ RON

ALRO Group – entities (as of 31 December 2025)

Company	Parent	Shareholding (%)
ALRO S.A.	Vimetco PLC	54.19
Alum S.A.	ALRO S.A.	99.40
Conef S.A.	ALRO S.A.	99.97
Vimetco Extrusion SRL	ALRO S.A.	100.00
Vimetco Trading SRL	ALRO S.A.	100.00
Stocare Energie Slatina SA	ALRO S.A.	99.00
CCGT Power Isalnita SA	Associate	40.1
Stocare Energie Tulcea SA	Associate of Alum	20

¹Computed based on the BSE quotation available on 30 June 2025 - the last day when ALRO shares were traded (713,779,135 shares * 1.5 RON/share)

Overview

Information about the Group

ALRO S.A. together with its subsidiaries ("ALRO Group" or "the Group") is one of the largest vertically integrated aluminium producers in Europe, measured by production capacity.

ALRO ("the Company" or "the Parent-company") was established in 1961 under the form of a joint-stock commercial company following the Romanian Government Decision no. 30 of 14 January 1991 on the establishment of commercial companies in the non-ferrous metallurgy sector. The Company's administrative and managerial offices are located in Romania.

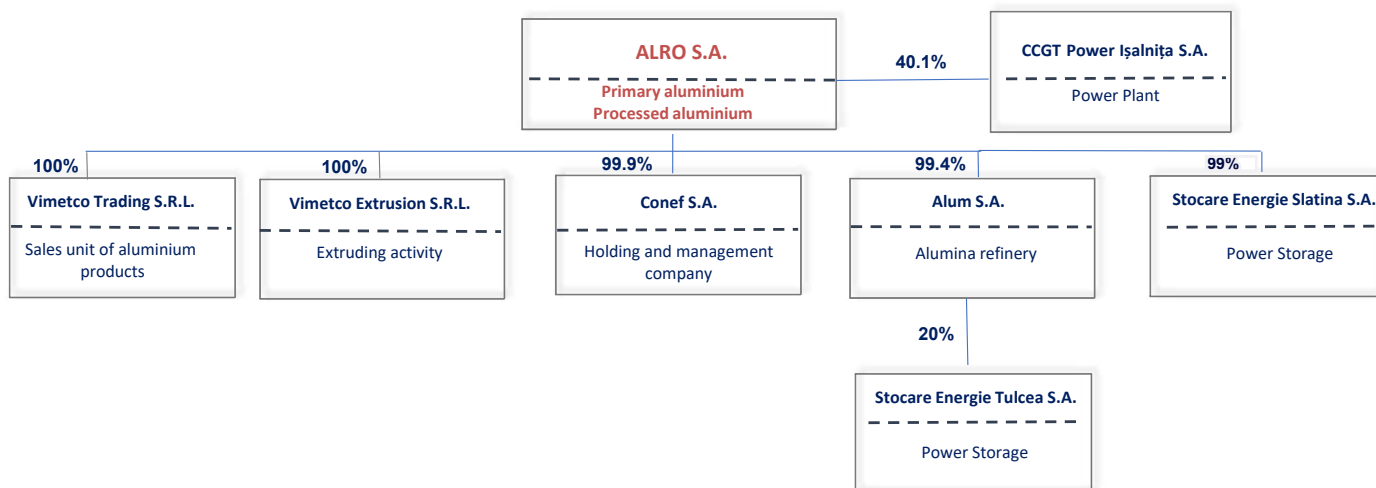
The Company was registered under the trade name "ALRO S.A." and has been listed on the Bucharest Stock Exchange ("BSE") since 16 October 1997. The Company's shares are traded on BSE under the symbol "ALR".

The major shareholder of ALRO S.A. is Vimetco PLC (Republic of Cyprus), which holds 54.19% of the Company's share capital. Vimetco PLC is a public limited company and the registered office of Vimetco PLC is at Navarinou,18, Navarino Business Centre,

Agios Andreas, 1100, Nicosia, Cyprus. The Company's ultimate controlling entity is Maxon Limited (Bermuda).

ALRO Group included the following companies at 30 June 2025:

- **ALRO** – manufacturer of aluminium – primary & processed ("FRPs") products (a company listed on the Bucharest Stock Exchange, Premium Tier Category);
- **ALUM** – producer of alumina (a company listed on BSE, ATS market, AeRo Category);
- **Vimetco Extrusion** – extrusion business line;
- **Conef** – holding and management company;
- **Vimetco Trading** – aluminium products sales company;
- **CCGT Power Işalnița SA** – associate, electricity plant;
- **Stocare Energie Tulcea S.A.** – associate of Alum, power plant and energy storage facility;
- **Stocare Energie Slatina S.A.** – subsidiary of Alro, power plant and energy storage facility.



The Group is vertically-integrated, with its operations being organized, for management purposes, in three segments: **Alumina**, **Primary Aluminium** and **Processed Aluminium**. In this way, the resources are efficiently allocated and the segment performance is properly evaluated, while being the basis on which the Group reports information to its management.

- **Alumina segment** consists of the Group's alumina production operations, which is the main raw material for aluminium smelting. This segment includes ALUM.
- **Primary Aluminium segment** manufactures primary aluminium products such as wire rod, slabs and billets and mainly includes the Anodes section, the Electrolysis section, the Casting House and the Eco Recycling Facility.

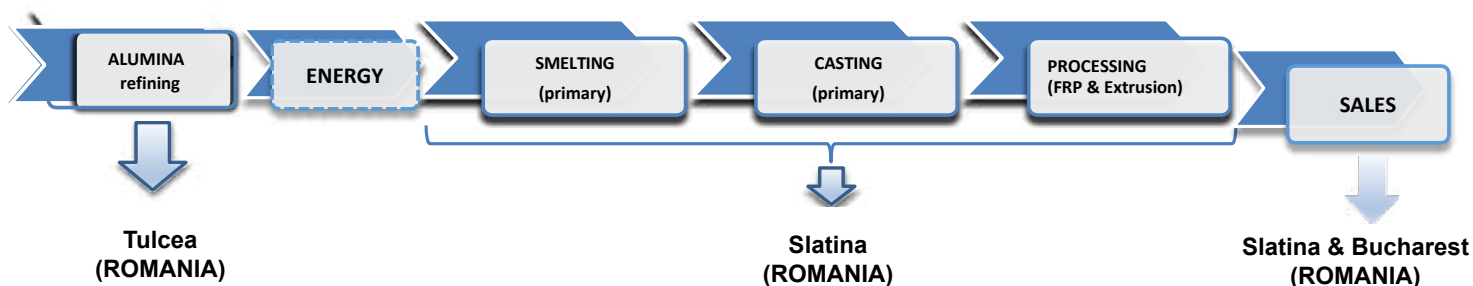
- **Processed Aluminium segment** develops flat rolled products ("FRPs") such as plates, sheets, coils and strips, and extruded products.

Both smelting and processing mills are located in Slatina, while the alumina refinery is located in Tulcea Romania (Europe).

Recently, the Group has made a step towards diversification into the **energy** field by entering a joint venture arrangement with a power producer and forming CCGT Power Isalnita S.A.

In 2025, it founded two power storage companies in Tulcea (SET Tulcea SA) and Slatina (Stocare Energie SA), respectively. These projects are yet in incipient stages.

The following chart shows the vertical flow of the Group's upstream and downstream divisions:



Alro receives alumina through ALUM, which negotiates it in the market for Alro, as long as the market prices are lower than its own cost of production.

Location	Function	Capacities @ 30 June 2025
Tulcea	Alumina refinery	600,000 tpa of alumina (temporarily idled)
Slatina	Smelting and Casting	265,000 tpa of electrolytic aluminium (4 of 6 potrooms currently idle) 100,000 tpa of recycled aluminium 313,000 tpa primary cast aluminium
Slatina	Processing	100,000 tpa of cold and hot FRPs and 35,000 tpa of extruded profiles

In respect of Alro, the Company is structured in **two divisions**:

- **Primary Aluminium Division** includes the Company's primary aluminium internal division, and comprises the anodes and electrolysis sections, the cast house, an Eco-recycling facility, repairs and spare part production units, road and rail transportation and other ancillary sections. After investing in modernizing its equipment and in new technology throughout the years, ALRO reached a production capacity of 265,000 tpa of electrolytic aluminium (out of which 180,000 tpa were idle since 2022 by strategic decision). The Eco-Recycling has a melting capacity of 100,000 tpa, and the Cast-House has a capacity of 313,000 tpa. At the same time, all necessary anodes for the electrolysis of alumina are internally produced.
- **Processed Aluminium Division (FRP)** the Group's facilities generally have a capacity of 100,000 tpa of FRPs (that depends on the specific product range produced at any one time) and 35,000 tpa of extruded products.

ALRO produces a diversified range of products, as detailed below:

- aluminium and aluminium alloy wire rod;
- aluminium and aluminium alloy billets;
- aluminium and aluminium alloy slabs;
- aluminium and aluminium alloy plates (heat treated and not heat treated);
- aluminium and aluminium alloy plates (heat treated and non heat treated) tailored to customers' specific formats, particularly targeting end uses from aerospace and general engineering sectors;
- aluminium and aluminium alloy sheets, coils and strips;
- aluminium alloy clad sheets, coils and strips

In 2025, ALRO continued the product portfolio expansion and made important steps in:

- internal qualification of 7475 alloy – first trials delivered to Alro's customers;
- arranged shop trials for ballistic plates for the defence industry, with qualification process expected to be finalized during Q4;
- regular deliveries of 2219 alloys to various service centres and OEMs, after successful qualification.

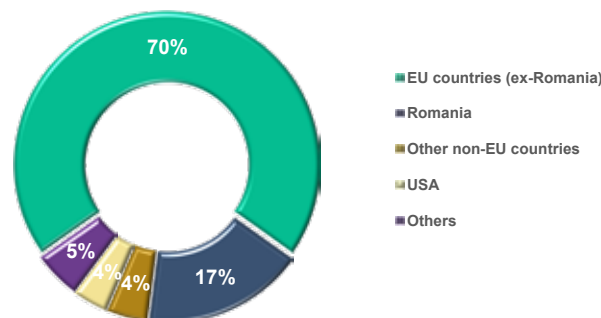
ALRO produces value added primary aluminium products for its customers and part of the primary aluminium production is also used as raw material by the processed aluminium facilities (the rolling mill). The Company sells aluminium alloys billets to its subsidiary, Vimetco Extrusion, that further produces extruded products.

Sales and market presence

ALRO Group has a strong presence in many industry sectors of the international markets. The focus is to penetrate or increase the market share in the most sophisticated industries such as aerospace, automotive, marine, and construction with VHVAPs that embed higher premiums during the past years. To this end, in the latest years Alro has continuously invested in property, plant and equipment, and also in expertise, in order to meet specialized technical and production standards required by specific customers, and it is continuing to do so, with its improving portfolio standing proof.

The geographical distribution of Alro group sales shows a significant presence in Europe (including non-EU countries and the Romanian market).

ALRO Group Sales by geographical location 2025 (RON th)



Alro has a Marketing Department that is fully dedicated to promoting the company's products by anticipating the market trends and supporting the Sales division bring value to Alro clients. By participating in conferences and events, Alro pursues the increase of client database, the identification of new business opportunities, and the promotion of its existing products. In 2025 Alro extended its participation, either as an exhibitor or as a visitor, in worldwide fairs and events, such as:

- Aero India 2025, where it participated in February 2025. Thus is a biennial air show and aviation exhibition held India, organised by the Defence Exhibition Organisation, Ministry of Defence.
- Adriatic Sea Defense and Aerospace in Zagreb, Croatia, in April 2025. This is the international tri service Defence, Aerospace and Security exhibition, which takes place every two years in order to gather the whole offer and demand of the domains. Alro as a visitor pursued the consolidation of the relationships with NATO partners and regional partnerships.
- Feindef 2025, in May 2025, in Madrid, Spain. The International Defence and Security Exhibition of Spain, FEINDEF, is a biennial event organized by the Feindef Foundation and institutionally supported by the Ministry of Defence. Alro as a visitor pursued the increase of its awareness in the Western Europe and positioning itself as a strategic supplier.
- Aerospace and Defence Meetings Central Europe – Rzeszow in May 2025, a matchmaking program for the aerospace & defense industries, BtoB meetings, high-level conferences and workshops.
- Paris Air Show - Salon International de l'Aéronautique et de l'Espace du Bourget, in June 2025, the International Paris Air Show organized by SIAE, a subsidiary of the French Aerospace Industries Association (GIFAS). It is the largest event in the industry, bringing together stakeholders from around the world. The event embodies excellence, innovation, and international cooperation in the aerospace sector.

Alro's consistent presence at these key industry events - whether as an exhibitor or attendee - has proven vital in uncovering and pursuing growth avenues, particularly in the segment of high value-added products. These engagements directly support our long-term strategic direction, centered on product differentiation

and market relevance. We have maintained a clear focus on broadening our portfolio of advanced solutions, especially to meet the increasingly specific needs of sectors such as aerospace and defence. Our efforts have translated into tangible progress, including new business partnerships and ongoing commercial and technical discussions with a diverse range of players, from OEMs and engineering firms to service centers and distributors. Staying agile in the face of shifting market dynamics and evolving customer expectations has been key to strengthening our global presence and building resilient, long-term collaborations.

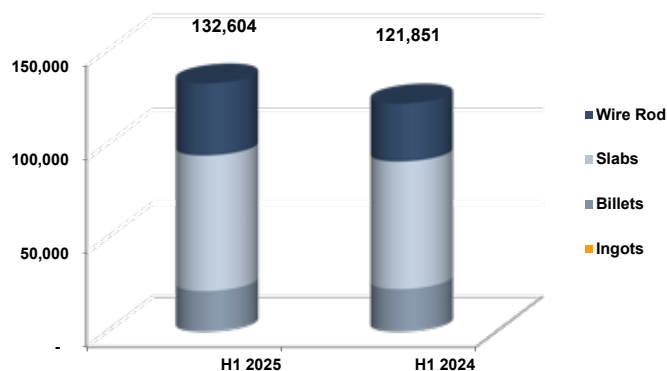
Further on, in 2025, Alro will maintain an active involvement in fairs and prestigious B2B events, with a focus on the aerospace industry, such as: Seoul International Aerospace & Defense Exhibition 2025, one of the largest exhibitions that is known widely for featuring aerospace and defence products and services, the Dubai Airshow 2025, ne of the largest and most successful air shows in the world, connecting aerospace industry professionals across the world, or Aerospace and Defense Meetings Torino, established itself as the only international matchmaking event for the aerospace and defense industry in Italy.

Production

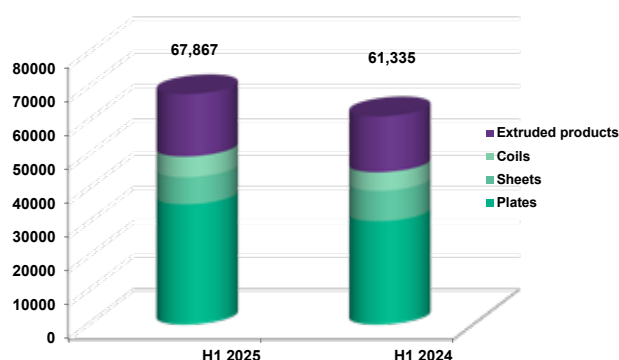
In H1 2025, Alro continued to exceed prior period quantities, thanks to its investments in production processes, its efforts to increase visibility in the industry, to its reliability as a high-value producer and seller and to its new management team engaged in production. It produced 35,033 tonnes of electrolytic aluminium in H1 2025, i.e. more than 33,480 tonnes in H1 2024. Further on, the investments made in the eco recycling capacity are yielding results, with Alro production of liquid aluminium (from scrap aluminium) increasing again: 54,945 tonnes in H1 2025 compared to 42,378 tonnes in H1 2024. Consequently, it could have more primary aluminium at its disposition to sell and to use further in FRP production, too: from 121,851 tonnes in H1 2024 to 132,604 tonnes in H1 2025.

The FRP output (flat rolled aluminium products) was 11% higher in H1 2025 than in H1 2024. This substantial growth was supported by large order volumes, reflecting customers' confidence in the company's ability to deliver high-quality products. This performance is a direct result of the strategic investment projects implemented by the Group.

Primary Aluminium Production (tonnes)



Processed Aluminium Production (tonnes)



The Group's subsidiaries hold several certifications. For example, ALRO is ISO 9001, ISO 14001, ISO 45001, ISO 50001 certified and has NADCAP certifications for non-destructive testing, laboratory tests and special processes, as well as EN 9100 certification for aerospace production, and the IATF 16949 certification for automotive industry, with its products being certified according to the applicable international standards for quality (e.g. CE Mark for products used in construction, Pressure Equipment Directive/2014.68/EU - acc AD2000 – Merkblatt, certification for the products used in the marine industry). For more information in this respect, please see the websites of ALRO and of each of the Group's subsidiaries.

In 2025, ALRO Group successfully passed all the third parties and customers audits:

- Surveillance audits: Integrated system audit ISO 9001, ISO 14001, ISO 45001, carried out by SRAC;
- CE Marking audit (according to EN15088), carried out by TUV-SUD;
- Recertification audit: ISO 50001 audit, carried out by SRAC;
- AERO audit, according to SAE/AS 9100D/ EN 9100:2018, conducted by DQS GmbH;
- Marine product audit, June 2025, conducted by DNV;
- Nadcap HT and associated testing for which we maintained the "Supplier Merit" status.

Investments

The Investment Programme was approved by the General Shareholders' Meeting on 29 April 2025.

Alro investment achievements in H1 2025 included the completion of some projects that had been started prior to 2025 and also the commencement of new investments, with the following main objectives:

- Increasing ALRO SA profitability by ensuring the equipment necessary to diversify the range of value added products (cast plates and precision plates) corresponding as close as possible to the customers' requirements in terms of dimensions, thus adding value to the metal produced by ALRO prior to be marketed;
- Continuing the programs for improving the energy efficiency of the equipment and technological processes;
- Continuing the strategy for increasing the percentage of high value added products in the production mix, namely wire rod in ALRO Primary Aluminium Division and flat rolled products in ALRO Processed Aluminium Division;
- Reducing the carbon print of the process activities in ALRO Processed Aluminium Division;

- Supporting the existing process and current production capacity by providing safe and reliable equipment/ operating conditions for the technological processes, in accordance with the maintenance schedules and standard regulations.

Amongst the major achievements, in the first 6 months of 2025 the equipment was commissioned within the investment project called "Increasing the efficiency of aging operations by replacing its furnaces with a new aging furnace", which is directed towards increasing the energy efficiency and involved the purchase and installation of a CO₂ emission-free electrical furnace to replace three gas-fired furnaces. The new heat treatment furnace for artificial aging equipped with electric heating systems was commissioned and the acceptance tests were performed in June 2025. The start-up of the aging furnace for the specific heat treatments of aluminium products, powered by electricity without CO₂ emissions, allows ALRO SA to optimize the process of heat treatment (artificial aging) which the aluminium products undergo, through increased efficiency and a more precise control of temperature and other critical parameters, which will lead to a more efficient output of top quality high added value aluminium. Furthermore, this electrical aging furnace has replaced three outdated gas-fired furnaces, this being a significant step in increasing the energy efficiency of the technological processes and strengthening the Company's efforts to produce low carbon aluminium, suitable for future market requirements.

This project, together with the revamping of the induction furnace and installing a water cooling / recirculation system ("Improving the energy efficiency of the Repair and Spare Parts Section (SRPS)") which was commissioned in February 2025 and with the 32 smelter pots relined with AP12LE technology in the first 6 months of 2025, are part of Alro's constant effort of upgrading its industrial processes to improve its energy efficiency in accordance with the strategic goal of becoming a greener producer and providing sustainable products.

As a result of increasing its secondary aluminium production in order to improve the energy performance of the Company, ALRO started a new project in the Cast House, aiming to increase ALRO SA melting capacity by installing a 60T furnace. The new furnace will be commissioned by the end of 2025 and will support the Company's efforts of using a high percentage of recycled aluminium to ensure the raw material for its FRP production.

In February 2024, CCGT POWER IȘALNIȚA S.A. (SPV) signed the financing contract with the Ministry of Energy, in the framework key programme - Construction of combined cycle gas turbine (CCGT) electric capacities that can be adapted to run on hydrogen, necessary to achieve the transition from coal and to balance the network. The project benefits from funding from the Modernization Fund of the Romanian State and the value of the contract is EUR 253 m. The EPC (Engineering, Procurement & Construction) and LTSA (Long-term service agreement) contract award procedure for this project was restarted in March 2025 with quotations submittal deadline in September 2025.

After implementing in 2024 the project "Long-term development of ALRO SA through achievement of sustainable investments" under the De Minimis Aid Scheme "Support for the implementation of the Program for the increasing of the industrial products competitiveness", in H1 2025 Alro received the last of the four payments totalling EUR 180,084.84, as per the financing contract 29 /RUC/MEAT/28.12.2023 concluded with the Ministry

of Economy, Entrepreneurship and Tourism, as Administrator of the De Minimis Aid Scheme.

With the equipment procured under this project, namely: laboratory mill with grinder and pestle, milling cutter for non-ferrous metals, XRF spectrometer, X-ray diffractometer, modernization of the traction machine specific for analysis in the physico-chemical testing laboratory, calcination furnace for samples, Alro has considerably increased the capacity of its testing and calibration laboratories adding high-performance equipment in line with the requirements of the Community standards and provisions in the field of application.

Among other achievements, we can also note the upgrading of SCADA system on the billets casting machine Wagstaff 1 in the Primary Division and the upgrading of electric panels related to the roller gears on HRM in the Processing Division.

Projects for increasing the percentage of HVAPs and VHVAPs

Alro has remained focused on consolidating its position on the international markets, targeting new market segments and customers, by continuing the investments in technology that will bring the company closer to the end customers of our products, in terms of dimensional requirements, with Alro being thus able to offer tailored solutions for sophisticated industries. In this respect, in 2025, Alro continued the project "Development of ALRO product portfolio by purchasing a processing equipment for precision plates longitudinal cutting and milling". The project is currently in the detail engineering stage, the joint teams of ALRO, the site designers and equipment contractors working together to integrate all the functions of these intricate project machineries. The project is scheduled to be installed by the end of 2025 and be commissioned in 2026.

One of the two projects aiming at improving the quality process efficiency in the Processing Division, namely the project "Double-Sided Conductivity Scan for Aluminium Plates" was commissioned in June 2025. This project, alongside with "Purchase of an Ultrasound Scanning System II", which is estimated to be commissioned at the beginning of H2 2025 will bring additional benefits in terms of quality and process control for the company.

In the Primary Aluminium Division, Alro has continued the implementation of the investments, namely "Modification of the billets casting machine such that it can cast both billets and slabs" and "Purchase a band saw for aluminium alloy slab cutting" aimed at providing the critical slab production capacities for the coming period so as to fulfil the objectives of ALRO's strategy of increasing the percentage of high value added products (flat rolled products) in the production mix and deliver the estimated production level. The two projects are estimated to be in production in the fourth quarter of 2025.

Climate-change consideration from production and investments perspective

As part of Alro's strategy to secure its own energy production from sustainable resources, in 2023, Alro signed the sales, design and manufacturing contract for the investment project "Increasing the energy efficiency of ALRO S.A.s electricity supply system by installing a photovoltaic power plant in the parking lot of ALRO S.A., 116 Pitești Street", a project consisting in the installation of a

photovoltaic power plant with a capacity of 1,460.5 kW on a carport structure and two electric charging stations on the Alro Primary Aluminium Division parking space. For the implementation of the project, in 2024, the Town Planning Certificate for PUZ was obtained by Alro and in May 2025, the Opportunity Permit was issued by the Slatina City Hall. The Opportunity Permit indicates all the permits that must be obtained and the studies that must be elaborated in order to obtain the PUZ. The procedure continues with the elaboration of the documentation to obtain the necessary permits and related studies.

Based on the strategy of increasing the energy efficiency and maximizing the reuse of resources in order to become a greener, more sustainable aluminium producer, Alro continues the energy efficiency programmes in H1 2025 and has commissioned the project "Improving the energy efficiency of the Repair and Spare Parts Section (SRPS) by upgrading the induction furnace and installing a water cooling / recirculation system" in February 2025. This will increase the energy efficiency in this production department by using advanced, energy efficient equipment and increasing the recirculation of the industrial water thus reducing also the related energy and water consumption. This project, together with the relining of 32 smelter pots using AP12LE technology and the new electric furnace for aluminium alloy plates aging commissioned in H1 2025 following an investment of USD 2.75 million, show once more Alro's commitment to a sustainable growth. The commissioned electric aging furnace has allowed the replacement of three outdated gas-fired furnaces and will thus reduce the emissions related to our HT processes, while optimizing the artificial aging treatment by providing increased efficiency and a more precise control of temperature and other critical parameters, thus leading to a more efficient output of top quality high added value aluminium.

RTA project (AP12LE – advanced low energy technology for electrolysis)

ALRO Group is committed to continue its energy efficiency programme as part of a safe, responsible and profitable business, one of the Group's major projects being the implementation of AP12LE technology over the next years, until all the smelter pots are relined with this advanced, low energy technology, which is being implemented in collaboration with Rio Tinto Aluminium Pechiney. The contract for this project was concluded in 2018 with Rio Tinto Aluminium Pechiney, the company who developed this technology and the AP12LE pot design is based on RTA "Brick Technology" approach and uses new relining materials, cathodes, busbar assemblies and slotted anodes. This innovative technology is expected to bring energy efficiency and environmental benefits to the electrolysis sector, the sector with the highest energy consumption of all ALRO processes and aims at reducing the specific energy consumption by approximately 300 kWh/tonne of aluminium, while maintaining the same level of pot production. Out of the 50 smelter pots planned to be relined with this technology in 2025, in the first 6 months of 2025 a number of 32 pots were relined, constantly adapting these works to the repair programme and production requirements.

After commissioning these 32 more pots with AP12LE technology until end of June 2025, ALRO reached 284 pots fully relined with this technology, out of which 182 are in production, with the number of relined pots being adapted to the number of pots in operation to ensure electrolysis operation with improved energy efficiency.

Procurement and Logistics ("PLD")

The first half of 2025 was characterized by a slow down of global economic growth, which also impacted commodity prices. Heightened trade tensions, international conflicts and rising U.S. tariffs contributed to the slowdown in global economic growth and impacted commodity markets. Trade policy uncertainty and climate change also posed challenges for commodity markets, disrupting supply chains and increasing volatility.

Cost reduction and strategy implemented in this respect

Prices of raw materials, although having recorded a small decrease compared to 2024, remained at high levels.

In H1 2025, our main objectives were:

- control of main raw materials prices and keeping a safe supply chain; the expenditures with main raw materials in H1 2025 (excluded alumina and aluminium ingots) were reduced by about 3% compared to 2025 budget, considering only the price difference;
- Alro's main reaction to massive increasing of electric energy price is efficient recycling of aluminum scrap both internally generated and acquired from domestic and European suppliers. The acquisition price of aluminium scrap increased in H1 2025 vs H1 2024 by abt. 8% in terms of percentage of LME; and by 2.5% compared to 2025 budget. In aggregate, with the investments in scrap processing, it means that Alro managed to secure a reliable and cost efficient alternative source of liquid metal
- acquisition of 41,000 Mt of aluminium ingots from the market to offset the impact of the temporary production shutdown of the 3 electrolysis lines.
- acquisition of 67,000 mt of Alumina from market to compensate for the suspension of ALUM's production activity;
- planning and scheduling in order to avoid stock outs or over stocks and where possible dual and/or multiple sourcing in order to improve supply assurance;
- to ensure the quality of goods and services.

Climate change considerations from the procurement perspective

Requirements by the Chinese Government, urging the magnesium sector to make technological upgrades for transforming the current set-up into a more eco-friendly one had a heavy impact on magnesium availability especially at the beginning of 2022 and also an extreme price increase. This impact on availability and price surge was due to the fact that China is a major player in worldwide magnesium production accounting for abt 85% of world production. According to China's Ministry of Industry and Information Technology, nonferrous sector CO₂ emissions must be reduced with 18%, between 2021-2025 and by 2025 abt. 4,000 non-ferrous metal furnaces must be upgraded to target a clean production, with an aim to meet carbon neutral goals by 2030. New projects to produce magnesium outside China are under analysis/ development (Australia, Romania), contributing to partial release from chinese producers.

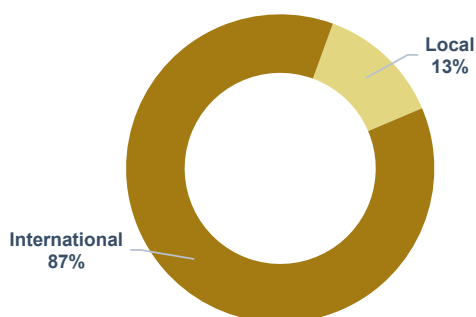
Acquisition of Aluminium ingots in 2025 has to be performed considering the exclusion of the coal-fired power smelter brands.

The impact of current geo-political context on procurement

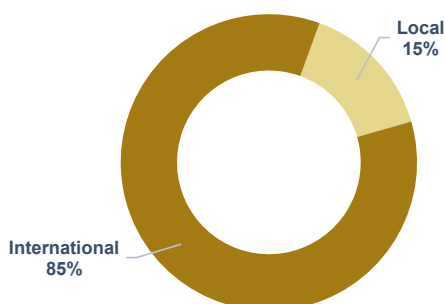
The main consequences of the actual geopolitical context are the inflated prices for main raw materials and all other auxiliary materials (metallurgical products, electrical and mechanical items, consumables and so on), the increase of lead time and also the high operating costs in Constanta Port.

Raw materials acquisition structure, including alumina, shows 13% coming from local market and the balance of 87% from overseas.

H1 2025 Acquisition structure for main Raw Materials (Alumina included)



H1 2024 Acquisition structure for main Raw Materials (Alumina included)



All raw materials ALRO purchases from domestic and/or foreign suppliers are in strict compliance with European Union (EU) safety and environmental protection legislation including, but not limited to, European Commission (EC) legislation No.1907/2006 (REACH) and EC legislation no. 1272/2008 (CLP).

Financial and economic review

ALRO GROUP

Financial review

In 2025, Alro continued its upward track obtaining excellent results from the operational standpoint. Its output of aluminium was by 9% in H1 2025 higher than in H1 2024, with an emphasis on value added products (FRP by 11% more) and on the sustainable processes (a production of liquid aluminium by 30% higher, i.e. from recycled scrap instead of the energy intensive electrolytical aluminium).

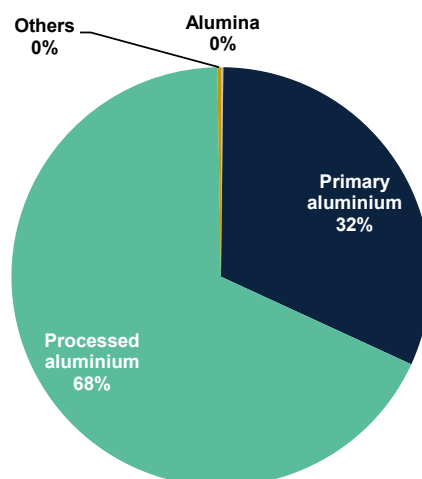
Alro Group reported a turnover of RON 2,009,026 thousand in H1 2025 (18% higher compared to H1 2024), an EBIT of RON 36,447 thousand in H1 2025 (in H1 2024 an EBIT of RON 139,027 thousand) and a consolidated net profit of RON 17,073 thousand as compared to a net profit of RON 8,447 thousand recorded in H1 2024. The adjusted net result for the period was RON 29,061 thousand in H1 2025 (in H1 2024 RON 23,822 thousand). Alro on a stand-alone basis recorded a turnover of RON 1,887,245 thousand in H1 2025 (higher than the RON 1,581,926 thousand for H1 2024), an EBIT of RON 47,203 thousand (in H1 2024 RON 122,067 thousand) and a net profit for the period of RON 33,539 thousand (compared to a net loss in H1 2024 of RON 2,053 thousand). The adjusted net result for Alro stand alone was RON 45,891 thousand for H1 2025 and RON 12,519 thousand for H1 2024, respectively.

Alro Group obtained an EBITDA of RON 95,242 thousand in H1 2025 (RON 201,362 thousand in H1 2024), while Alro alone obtained an EBITDA of RON 95,726 thousand in H1 2025 and RON 172,966 thousand in H1 2024.

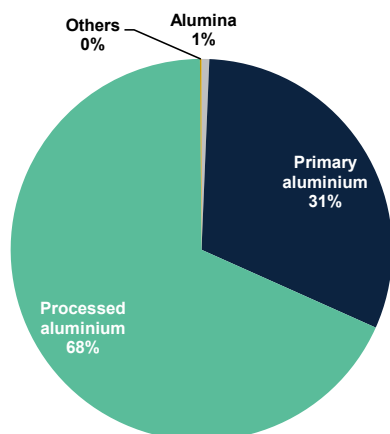
In H1 2025, **sales** of aluminium products rose steadily, with processed aluminum products witnessing a 9% growth in sales volume and primary aluminum products experiencing a rise of 8% compared to the same period in H1 2024.

The Group sales structure was the following:

Alro Group sales by segments H1 2025 (RON th)



Alro Group sales by segments H1 2024 (RON th)



The **Cost of goods sold** increased by 19%, reflecting higher input costs (utilities and raw materials), and the gross margin was of 4% in H1 2025 compared to 5% in H1 2024.

The **G&A expenses** were of RON 186,713 thousand in H1 2025 and of RON 149,164 thousand in H1 2024. There was an increase in G&A due to the staff costs following salary adjustments under the renegotiated Collective Labour Contract and performance bonuses granted by the Parent Company.

Secondly, unlike in 2024, the Parent Company was no longer subject to the 1% minimum turnover tax (IMCA). Instead, it fell under the scope of the 0.5% Additional Turnover Tax (ICAS), applicable to entities operating in the oil and natural gas sectors. Accordingly, the Parent Company recorded an expense of RON 10,370 thousand in the first half of 2025 (in H1 2024: nil), presented under "Taxes other than income taxes" within **General, administrative and selling expenses** (see Note 7 and Note 11 to the Interim Consolidated Financial Statements).

During the 6-month period ended 30 June 2025, the Group recognized government grants of RON 150,000 thousand representing the compensation to which the Group is entitled for the high electricity costs incurred during the reporting period, based on EU Emissions Trading Scheme (ETS) (in the 6 months ended 30 June 2024: government grants of RON 182,935 thousand. Further details are provided in **Note 8 Other operating income** to the Interim Consolidated Financial Statements for H1 2025. Additionally, in H1 2024, the Group obtained revenues from the sale of carbon dioxide emission certificates of RON 30,094 thousand (in H1 2025: nil).

The **profit before tax** was RON 37,750 thousand in H1 2025, and RON 44,149 thousand in H1 2024. The **Income tax** was RON 20,677 thousand for H1 2025 and RON 35,702 thousand for H1 2024 (further details in Note 11 to the Interim consolidated financial statements at 30 June 2025).

Income tax: in the six months ended 30 June 2025, the Current income tax included an amount of RON 5,180 thousand, mainly payable by Parent Company, and an additional tax expense

of RON 3,509 thousand recorded by Vimetco Extrusion, representing the minimum turnover tax (IMCA). Under Law no. 296/2023, enacted in 2024, companies with an annual turnover exceeding EUR 50 million are required to pay a minimum tax of 1% of turnover if the calculated profit-based income tax is lower than this amount.

The bottom line **result** of the Group was RON 17,073 thousand in H1 2025, which is double the RON 8,447 thousand net result obtained in H1 2024.

As for the **Adjusted Net Result** at ALRO Group level, and for ALRO, respectively, the reconciliations are detailed below:

ALRO Group

	30 June 2025	30 June 2024
NET RESULT	17,073	8,447
Plus/(minus) deferred tax expense/(income)	11,988	15,375
ADJUSTED NET RESULT	29,061	23,822

ALRO

	30 June 2025	30 June 2024
NET RESULT	33,539	(2,053)
Plus/(minus) charge/(reversal) of investments impairment expense/(income)	399	242
Plus/(minus) deferred tax expense/(income)	11,953	14,330
ADJUSTED NET RESULT	45,891	12,519

The reconciliations of **EBITDA** for ALRO Group and for ALRO, for H1 2025 and H1 2024 are detailed below:

ALRO Group

Description (RON th)	30 June 2025	30 June 2024
EBIT	36,447	139,027
Depreciation, amortisation and impairment	58,795	62,335
EBITDA	95,242	201,362

ALRO

Description (RON th)	30 June 2025	30 June 2024
EBIT	47,203	122,067
Depreciation, amortisation and impairment	48,523	50,899
EBITDA	95,726	172,966

The **Group's total assets** were RON 3,219,392 thousand as of 30 June 2025, and RON 3,247,654 as of 31 December 2024. For Alro alone, the total assets were RON 3,012,385 thousand at 30 June 2025 and 3,023,705 thousand at 31 December 2024.

The **Group non-current assets** were RON 1,426,560 thousand as of 30 June 2025 versus RON 1,438,038 thousand 31 December 2024, and for Alro alone they were RON 1,366,246 thousand at 30 June 2025 and RON 1,373,568 thousand at 31 December 2024, with no significant movements in H1 2025.

The **current assets of the Group** were RON 1,792,832 thousand at 30 June 2025 (31 December 2024: RON 1,809,616 thousand). These were reflected by **ALRO**, which reported RON 1,646,139 thousand at 30 June 2025 compared to RON 1,650,137 thousand at 31 December 2024. These decreased in respect of inventories (by RON 45,163 thousand), cash (by RON 123,845 thousand), but increased in respect of Trade receivables (by RON 26,463 thousand) and mainly compensation for energy costs booked in Other current financial assets, which is RON 452,382 thousand at 30 June 2025 and was RON 302,382 thousand at 31 December 2024 because it includes the entire compensation accrued for 2024, and, additionally, the RON 150,000 thousand accrued for the 6 months ended 30 June 2025.

Group's total liabilities are RON 2,191,780 thousand at 30 June 2025 from RON 2,237,115 thousand at 31 December 2024. For Alro stand-alone, the liabilities were of RON 2,096,945 thousand at 30 June 2025 and RON 2,141,804 thousand at 31 December 2024. These are lower mainly due to a decrease of the loans, as explained below.

Bank and other loans decreased from RON 1,554,643 thousand at 31 December 2024 to RON 1,510,929 thousand at 30 June 2025 for the Group (including long term and short term borrowings and leases, see note 19 to the Interim Financial statements). For Alro alone, the balance decreased from RON 1,531,285 thousand at 31 December 2024 to RON 1,495,816 thousand at 30 June 2025, as instalments were repaid to banks according to schedules. At 30 June 2025, the Group had the amount of RON 45,983 thousand undrawn and available from the borrowing facilities contracted with the banks (at 31 December 2024: RON 37,996 thousand).

According to the existing borrowing agreements, the Group is subject to certain restrictive covenants. At 30 June 2025, the Group and the Company did not meet certain financial covenants in respect of some of their loans. The situation was discussed with the banks, and all necessary waivers were obtained. However, as some waivers were received after the testing date but within the grace period agreed with the banks, the Group reclassified an amount of RON 87,462 thousand, representing loans due after 2026, from "Long-term loans" to "Short-term portion of long-term loans." In addition, the Company worked with the banks and succeeded in implementing a more relaxed financial covenant level in the facility agreements, aligning it with current market practices and the prevailing business environment. Further details about the Group borrowings can be found in **Note 19 Borrowings** and leases to the Interim Consolidated Financial statements.

In H1 2025, the **net cash used in operating activities** was negative, of RON 72,512 thousand for Alro Group (in H1 2024 the Group had generated positive cash from operations of RON 144,336 thousand), and for Alro: negative cashflow RON 97,291 thousand in H1 2025 compared to RON 132,855 thousand in H1 2024).

The **net cash used in investing activities** was RON 52,642 thousand in H1 2025 and RON 46,028 thousand in H1 2024 for the Group, as the Group pursued its strategic objectives of diversification, quality, efficiency. In Alro it was of RON 46,271 thousand in H1 2025 and RON 35,727 thousand in H1 2024.

The **net cash flows generated by financing activities** in H1 2025 was of RON 1,309 thousand for the Group (in H1 2024: cash used was of RON 144,937 thousand) and RON 9,776 thousand generated by Alro in h1 2025 and RON 142,889 thousand used in H1 2024. These cash inflows represent the draw downs of new loans mainly, and the outflows represent the repayment of loans and leases.

As of 30 June 2025, the Group reported **cash and cash equivalents** of RON 307,458 thousand (31 December 2024: RON 431,303 thousand). At **ALRO's level, the cash and cash equivalents** were of RON 289,534 thousand at 30 June 2025 (31 December 2024: RON 423,320 thousand).

ALRO Group Operational overview

ALRO Group

In the first 6 months of 2025, Alro Group continued with a reduced production capacity initiated in 2022, namely 2 operational electrolysis potrooms out of 5. Meanwhile, it compensated the missing metal by buying ready made aluminium from the market and by increasing its scrap remelting capacity. The alumina plant at Alum, Tulcea, remained idle as well, with only small quantities of hydrate and special alumina being produced.

In 2025, the Group continued to diversify itself into new projects in the direction of electricity integration and cost diminishing: besides the partnership started in 2023 with Complexul Energetic Oltenia SA for the set up of a power plant, the Group formed two new companies in 2025, namely:

- in February 2025, the Group's subsidiary, Alum S.A., contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum S.A., with its registered office in Tulcea;
- In June 2025, Alro contributed RON 89 thousand to the establishment of a joint-stock company named Stocare Energie Slatina S.A., with a share capital of RON 90 thousand. The Company is owned 99% by Alro S.A. and 1% by Conef S.A., with its registered office in Slatina.

The two Companies were founded on the purpose of developing facilities for energy storage in batteries, and power plant units.

Apart from this, in 2023, the ALRO Group decided to source both natural gas and electricity primarily through its related party, Vimetco Management Romania S.R.L. (VMR), in an effort to seek reliable and cost efficient purchasing of utilities. VMR had initially provided consultancy services within the group, but subsequently it expanded its scope to include the supply of natural gas and electricity, mainly to group entities but also to third parties. This integration has contributed to improved operational efficiency and better coordination of energy procurement within the group. Details are provided in **Note 21 Related party transactions** to the Interim Consolidated Financial Statements.

ALRO

In H1 2025, Alro continued to sustain its eco recycled production, meaning to steadily increase the aluminium produced from recycled scrap: 54,945 tonnes in H1 2025 compared to 42,378 tonnes in H1 2024. At the same time, the electrolytical aluminium was slightly higher (35,033 tonnes in H1 2025 and 33,480 tonnes in H1 2024), with Alro operating at lower smelting capacity (2 out of 5 electrolysis halls) in order to save costs and render its operations efficient.

Alro sold 42,256 tonnes of primary aluminium to 3rd party clients in H1 2025 (in H1 2024: 38,988 tonnes), with an increase in wire rod by 7,014 tonnes (offset by a decrease in billets). On the processed aluminium side, it sold 49,158 tonnes of FRP being closer to its target of increasing the volumes and percentage of processed sales (in H1 2024: 45,256 tonnes FRP were sold, so the increase in H1 2025 was an organic one of 9%). The advancement was recorded mainly in plates (+5,109 tonnes), as pursued by the Company strategically.

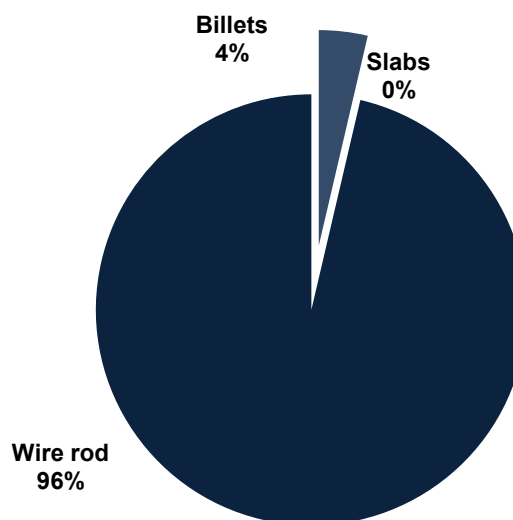
In 2024, the aluminium price (LME 3-month quotation) had an upward trend especially starting Q2 2024, with the fastest increase being recorded in Q4 2024 (average of 2,603 USD/tonne). In Q1 2025 the price of aluminium continued the increasing trend recorded during the previous year, such that the average 3M seller LME reached in this quarter the level of 2,626 USD/tonne. Towards the end of Q1 2025 the aluminium price started to decrease, but resumed an upward trend starting in the middle of June 2025. Despite these fluctuations, the average LME price for the first half of 2025 increased by 6% compared to the first half of 2024 (H1 2025: 2,545 USD/tonne; H1 2024: 2,400 USD/tonne).

Sales of primary products

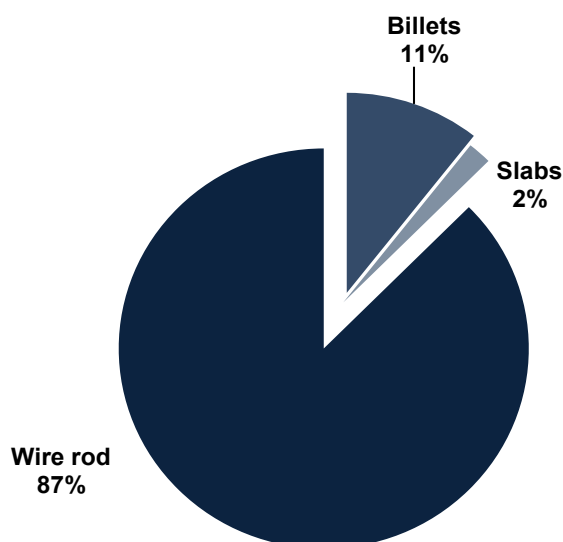
Demand for wire rod, both from Romania and from Central and Eastern Europe, began to rise in mid-January 2025 and maintained a positive trend each month thereafter. Moreover, the demand was very strong during Q2 2025 and the Group had the opportunity to benefit from its spot availability by increasing substantially the product premiums when most of our European competitors were sold out. Most of wire rod sales were directed to the Romanian market and, to a lesser extent, to neighboring countries. By contrary, the demand for billets was poor, with a slight recovery during the first half of June 2025. The low premiums and expensive scrap cost made this product not economically feasible, so that more metal resources were redirected to higher value added production. Furthermore, in 2025, the Group decided to cut the slab sales and process the entire production internally to improve the overall business profitability by selling more flat rolled products. This strategic decision allowed the Group to maximize profitability by reallocating production capacity toward other products with higher profit margins.

The structure of primary aluminium sales based on product types in H1 2025, compared to H1 2024 is presented below:

Revenues from sales of Primary aluminium H1 2025 (RON th)



Revenues from sales of Primary aluminium H1 2024 (RON th)



Processed Aluminium Segment – FRPs and extruded products

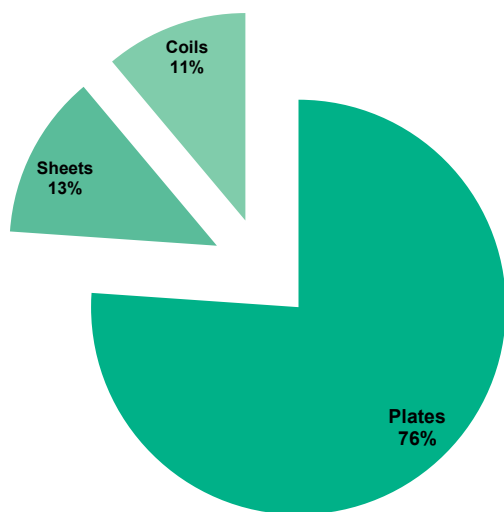
Flat-rolled products (FRPs)

In the first half of 2025, the Processed Aluminum Division recorded better sales and an improved sales mix compared to H1 2024, supported by the higher sales of plates and a gradual reduction of our sales for sheets and coils.

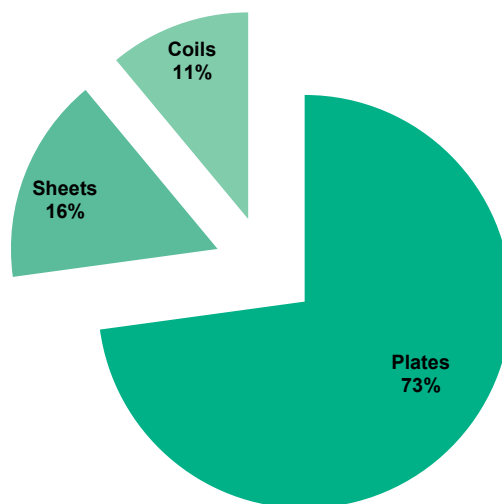
Despite of a much fragile and uncertain business environment in the US market (import tariff increased to 25% on 12 March 2025 and then to 50% at the beginning of June 2025), and a rather stagnant market for the aerospace applications (as long as the raw material is concerned), a better spread of business across geographical regions and stronger partnerships with Group's customers led to improved results in Q2 2025. Sheets and coils business demand in Europe remained at low levels, with automotive activity continuing to disappoint. However, through a more favorable production and sales mix, reflecting the effectiveness of our commercial strategy and adaptability to market conditions, the Group covered the available capacity by an increased level of orders for plates, despite the deepening impact of ongoing difficult geopolitical situation across the global markets. The aluminium flat rolled products market has become increasingly challenging over the past year, shaped by a volatile geopolitical environment, a noticeable slowdown in automotive demand and, at the same time, a heightened price competition which has further intensified pressure on margins and commercial positioning. This has prompted the Group to rethink established approaches, explore new opportunities and adopt a more resilient strategy to navigate this demanding landscape. At the same time, following the same trend of plates, in H1 2025 the quantitative sales of extruded products were higher by 1,524 tonnes as compared to the same period of previous year, consisting of deliveries of standard and customized profiles.

The structure of processed aluminium sales based on product types in H1 2025, compared to H1 2024 is detailed below:

Revenues from sales of flat rolled products H1 2025 (RON th)



Revenues from sales of flat rolled products H1 2024 (RON th)



Extruded Products (VE)

The extrusion shop operated by Vimetco Extrusion ("VE") represents the largest extruder in Romania and a significant player in the Western European extrusion market. Starting September 2006, Vimetco Extrusion was organized as a separate subsidiary company of ALRO Group to focus on the Group's extrusion business. The company's administrative and managerial offices are in Romania, headquartered in 1, Milcov Street, Slatina, Olt County, Romania.

Through Vimetco Extrusion, the Group uses the billets produced by ALRO in its primary aluminium division. VE manufactures and sells a wide range of extruded profiles, such as aluminium bars, tubes, etc. Aluminium extrusion is a technique used to transform aluminium billets into objects with a defined cross-sectional profile for a wide range of uses. In the extrusion process, heated aluminium is forced through a die. Extrusions can be manufactured in many sizes and in almost any shape for which a die can be created. The extrusion process makes most of aluminium's unique combination of physical characteristics. Its formability allows it to be easily machined and cast, yet aluminium is one-third the density and stiffness of steel, so the resulting products offer strength and stability, particularly when alloyed with other metals.

Within extruded products, the Group considers its special products to be HVAPs and the machined, painted, and anodized or powder coated products to be VHVAPs. Vimetco Extrusion's products are used in various industries, such as transport, construction, different aluminium metal structures, photovoltaic panels. The Group's extruded products are also used in the building and interior design industries, with curtain-walling, ceilings, partitions, railings, and panels being some of the various aluminium applications. Also, extruded products are used in lighting, air conditioning/ ventilation systems, reflectors, and the photovoltaic energy industry.

Extruded Products

The end of 2024 was very challenging with almost no demand in December, warehouses closing at the beginning of the month. According to European Aluminium statistics, the results reached a -7.1 % decrease compared to 2023 at European Market level.

After a weak market demand registered in 2024, the year 2025 started as a challenging period governed by political uncertainty generated by the US tariffs imposed on the imports for steel and aluminium products, encouraging a reduced visibility for business stability. Vimetco Extrusion as a leading international player made all the efforts to reduce the impact on internal activity and to spread the risk among several industries and companies focusing on ensuring full capacity occupancy with the appropriate product mix.

In Standard profiles industry, business development and order placement have been driven almost exclusively by price, supported by the producers' continuous efforts and struggle to ensure utilization of their available capacities, which have remained far too high compared to the weak market demand. Solar industry registered an exceptional expansion in 2022 and 2023; growth flattened in 2024. For 2025, the market is expected to contract for the first time in nearly a decade, with a projected 1.4% decrease. The current downturn is driven primarily by the rooftop segment, where the aluminium profiles are used, particularly residential solar systems. The investments in solar installations are postponed following lowering electricity price trends and weakened support frameworks. In many cases, aluminium rooftop solar incentives have been withdrawn or scaled back without effective alternatives, resulting in a short rush and sudden market decline. On the other hand, steel is becoming an increasingly attractive alternative to aluminium in mounting systems, especially for ground-mounted installations, thanks to its similar performance characteristics and more competitive pricing.

Building and Construction activity has been relatively weak and project-driven, with a stable but downward trend. Although there are signs of recovery in the Eurozone, regional trends remain uneven, and encouraging feedback is mostly limited to individual special projects. To strengthen its position in this unstable and highly competitive market, Vimetco Extrusion has invested in developing competitive advantages by installing a CNC machine, aiming to shorten the procurement chain and enhance cooperation with existing customers. Automotive demand continues to struggle, leaving some extruders with available capacity and increasing the competition in other market segments.

In July 2025, Vimetco Extrusion successfully obtained the **AS9100 certification "Quality management system for the aeronautical industry"**, following a comprehensive and rigorous audit process that took place in two stages in June and July 2025. From a strategical point of view, this certification allows Vimetco Extrusion to be a supplier for industrial sectors such as the aerospace and defense industries, thus diversifying its portfolio of products and consolidating the trust and collaboration with our partners.

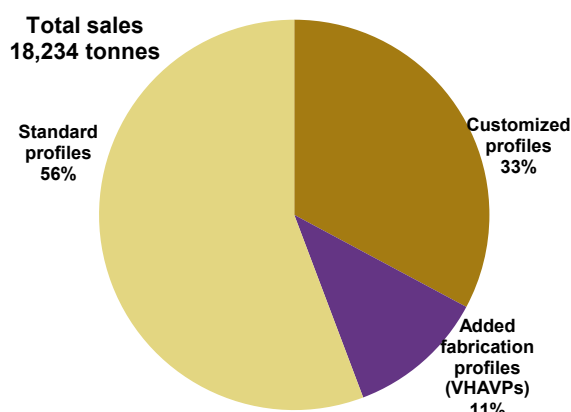
Despite the general market context, VE sales volumes for H1 2025 registered a slight increase compared to H1 2024, i.e. by 9%, however without reaching the targeted product mix. Vimetco Extrusion sold 18,234 tonnes of extruded products in H1 2025 and 16,710 tonnes in H1 2024.

Vimetco Extrusion is expanding the focus to new geographical areas and products, developing advanced alloys like 6101B and 6061. The goal is to enter the military, defense, and electrical (busbar) sectors, creating new opportunities for growth and innovation. Quality Management System of Vimetco Extrusion has been prepared starting this year to comply with the requirements of AS9100 standard for the certification needed in order to access Aerospace and Defence industry market.

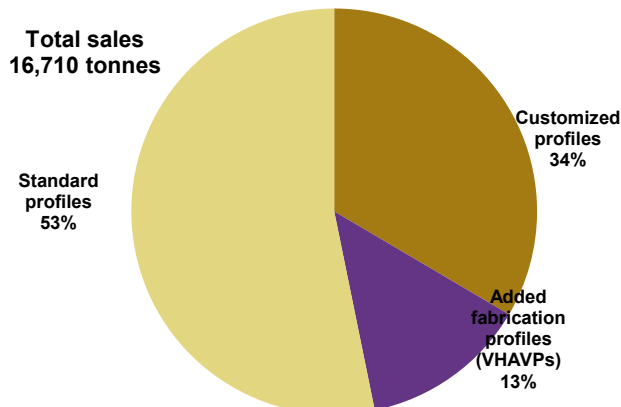
By diversifying products and services, Vimetco Extrusion continues its growth strategy ensuring high unique selling advantages that provides a strong position on the market, differentiated from the competitors. Targeted approach of different markets as a continuous effort of product range development with complex requirements and tailor-made design – used in various industries. VE development strategy is targeting increase of the value-added products and high value-added products: the newest welded products – tail lifts platforms for trucks are in expanding stage, scaffolding structures made from 6082 profiles- green field department, solar assembled parts, solar hook systems, advertising panels profiles, construction beams, aluminium hinges, telescopic columns, professional cleaning trolleys, hi-tech loudspeakers.

The structure of extruded products sales based on product types in H1 2025 compared to H1 2024, is detailed below:

Extruded products: sales structure in H1 2025 (RON th)



Extruded products: sales structure in H1 2024 (RON th)



Vimetco Extrusion Executive Management is composed of Mr Igor Higer – General Director, Mrs. Stefania Yaksan – Finance and HR Director, Loredana Achim – Production Director, Vladislav Lychkouski – Purchasing and Quality Director, Loredana Iacob – Sales Director, Daniel Ion – IT Director, Bazhanau Daniil- Technic and Investment Director.

At the date of this Report, Vimetco Extrusion Board of Directors is composed of three members: Mr Igor Higer (Chairman), Mr. Ovidiu Goran (Member), Mr Per Lyngaa (Member).

Vimetco Extrusion remains the main supplier for the most important names in the distribution field in terms of standard profiles and customized products and for important end-users.

ALUM

ALUM refinery is located in Tulcea, Romania, and has a production capacity of 600,000 tonnes of alumina per year, being the sole alumina producer in Romania and one of the largest in Central and Eastern Europe. During its usual production process, the refinery uses bauxite to produce it into alumina at its own plant in Tulcea. While primarily supplying alumina to the Group, ALUM sells its by-product, i.e. aluminium hydrate and other alumina special products (including calcined alumina with different granulations, alumina “low soda,” and alpha-alumina) to third party customers.

In August 2022 the Group management decided the temporarily shut down the production of alumina until the production and input cost of Alum were to be reasonable enough to allow for an efficient business. Since August 2022, Alum has been procuring Alumina from the market for Alro.

In 2025, the alumina production is still suspended. In Alum, maintenance works were continued to ensure the equipment and installations are ready for restarting and the research activity in the installations within the project financed from European funds. Also, we are constantly monitoring the red mud lake in order to comply with the provisions of the Environmental Permit. In this period, Alum paid all its debts in due time and incurred minimum operational expenditures.

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

Current stage of ReActiv project, carried forward: „Industrial Residue Activation for sustainable cement production”

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

low CO₂ footprint. Between 2020 - 2024 the company collected non-refundable funds in the amount of EUR 145,622 (out of the total of EUR 171,320). In May 2025 the last progress report was submitted and in June, in Athens, the final meeting of the members of the Reactiv project consortium took place.

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

At the date of this report, ALUM's Executive Management is composed of Mr Gigi Pirlog - CEO and Mrs Mihaela Duralia, CFO. ALUM's Board of Directors is composed of five members: Genoveva Nastase (Chairman), Igor Higer (member and Vice-Chairman), Razvan-Sebastian Pop (Member), Mihaela Duralia (Member) and Ioan Popa (Independent Member).

Conef S.A.

Conef is a joint-stock company established based on GD no. 30/1991. The company's shares are not traded on a regulated market, Conef being a closed-end company. The share capital is of RON 6,692 thousand, representing 2,676,661 ordinary nominative shares with a nominal value of RON 2.50, fully paid in by the shareholders.

At the end of 2018, ALRO's majority shareholder of that time, Vimetco N.V. together with the shareholder Conef S.A. carried out an accelerated private placement offer for a package of ALRO shares, representing a cumulative percentage of 33.77% of the share capital of the issuer. Following this operation, Conef S.A. disposed of its entire shareholding in ALRO.

ALRO's project for vertical integration in terms of ensuring the electricity necessary for its own consumption is aimed to be developed through the Group's subsidiary, Conef SA. In this regard, one of the Group's main projects is the building and commissioning of a 470 MW gas-fired combined cycle power plant inside ALRO's premises in Slatina. The estimated benefits for ALRO will be reflected both in the efficiency of the company's electricity supply, but also in its ability to ensure a safe and continuous reserve for the power system regulation of the new renewable energy sources in South-West Oltenia region by the power grid operator. In addition, this project will support Romania's transition to the extensive use of green energy, without greenhouse emissions, thanks to the replacement of the coal-fired electric power production capacities with new electric power production based on natural gas, and, after the hydrogen/ synthetic natural gases (green gases) production technologies will have been defined, these new electric power production capacities can be converted to use the new type of fuel with minimum costs (hydrogen-ready gas turbines).

The Executive Management of Conef is provided by Mr. Marian Nastase – CEO, Mr. Serghei Catrinescu – Deputy CEO. The Board of Directors of Conef is composed by 3 members (Mrs. Alina Rusanu – Chairman, Mr. Ovidiu Balu – Vice-Chairman and Mr. Dragos Voncu- member).

Vimetco Trading SRL

Vimetco Trading S.R.L. is a company organized under the Romanian law and was incorporated in 2008, with its headquarters in Bucharest. The company mainly provides sales agent services for the benefit of Alro S.A., which consist of various actions such as: negotiation activities with potential customers, monitoring the execution of sales contracts, fulfilling any other necessary actions in connection with the preparation and execution of sales contracts.

The executive management of Vimetco Trading is provided by two directors (Mr. Marian Nastase and Mrs. Svetlana Pinzari) and one General Manager (Mr. Florin Verboncu).

Other related parties

ALRO has a fully operational Fire Brigade inside the production facility and its own healthcare office. ALRO has benefited from substantial support from its affiliated companies Rivergate Fire and Centrul Rivergate, such as administrative services, security and fire prevention during the past years. These entities are on full alert 24/7.

Other information

- the Group is not dependent on a client or a group of clients due to its diversified portfolio customer base;
- in the first 6 months of 2025, the Group did not buy or hold its shares;
- in the first 6 months of 2025 no mergers or reorganizations took place;
- in the first 6 months of 2025, there were no other increases or decreases of the shares held in affiliated entities, except as mentioned in Note 14 to the Interim Consolidated Financial Statements for the 6 months ended 30 June 2025, namely:
 - In February 2025, the Group's subsidiary, Alum S.A., contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum S.A., with its registered office in Tulcea.
 - In June 2025, Alro contributed RON 89 thousand to the establishment of a joint-stock company named Stocare Energie Slatina S.A., with a share capital of RON 90 thousand. The Company is owned 99% by Alro S.A. and 1% by Conef S.A., with its registered office in Slatina.
- the equipment status ensures safe operation and the achievement of the proposed objectives, with no problems related to the ownership of the Parent-Company or other Group's subsidiaries tangible assets;
- by upgrading its production machines and equipment, the Parent-Company and/or other Group's subsidiaries are technically and technologically similar to the main aluminium producers in the international market.

Other information in accordance with FSA Regulation no. 5/2018 - Financial Instruments and Investments Sector

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

As of 30 June 2025, the Parent-Company and subsidiaries were parties to various litigations or legal proceedings arising in the ordinary course of their business, in which they are either defendants or plaintiffs. The Group Companies are not involved in any litigation or court proceedings and are unaware of any actions of a judicial, arbitral, or administrative nature that could reasonably be expected to materially and adversely affect the Group's business, financial condition, or results of operations.

EU-ETS Compensation Scheme

Also approved in the Government meeting of 27 March, 2025, and published in the Official Gazette on 31 March is Emergency Ordinance (OUG) 19/2025 for the amendment and completion of Government Emergency Ordinance no. 138/2022 regarding the establishment of a state aid scheme granted to enterprises in sectors considered to be at real risk of carbon leakage due to the significant indirect costs they effectively bear as a result of the pass-through of greenhouse gas emission costs in the price of electricity. This ordinance approve subsidy payment in maximum two installments per year.

RES support (Renewable Energy Sources) reduction for energy-intensive users

On the Government meeting held on 27 March, 2025 was approved the Emergency Ordinance 20/2025 regarding the establishment of a state aid scheme for exempting certain categories of end consumers from the application of Law no. 220/2008 on the establishment of the system for promoting the production of energy from renewable sources and published in the Official Gazette on 31 March. Through this ordinance, the exemption is extended until the year 2030 and ALRO continues to qualify for an 85% exemption.

ALRO submitted the files, in due time, for both of the state aid schemes.

CBAM Legislation

Regulation (EU) 2023/956 establishes a Carbon Border Adjustment Mechanism to the European Commission, which has led to imports of master alloys from non-EU countries.

At the same time, letters were sent to EU representatives, including by the European Aluminium Association, making several requests, such as: adapting the CBAM requirements to current market requirements, creating a clear emissions monitoring system, which should help aluminium producers adapt to the new regulations.

In 2025, in the field of environmental legislation on intra- and extra-community shipments of scrap, ALRO continued the implementation of the new "Regulation (EU) 2024/1157 on shipments of waste, amending Regulations (EU) No. 1257/2013 and (EU) 2020/1056 and repealing Regulation (EC) No. 1013/2006", as well as the "Commission Delegated Regulation (EU) 2024/2571 supplementing Regulation (EU) 2024/1157 by establishing the information to be provided in the certificate confirming the completion of a subsequent intermediate or non-intermediate recovery operation or a subsequent intermediate or non-intermediate disposal operation.

Other relevant regulatory updates

Sustainability

The provisions of the Sustainability legislation are applicable to ALRO Group. Starting the year 2024, we conform to the new European legislation, namely the Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council as regards sustainability reporting standards; Directive EU 2022/2464 of the European Parliament and of the Council dated 14.12.2022, which is transposed in the national legislation by the Order of the Minister of Public Finance no. 85/2024 that regulates some aspects regarding the sustainability reporting and amends and completes:

- The accounting regulations regarding individual annual financial statements and consolidated annual financial statements, approved by Order of the Minister of Public Finance no. 1802/2014.
- Minister of Finance no. 2844/2016 for the approval of the Accounting Regulations compliant with the International Financial Reporting Standards.

At the same time, under the same context, we abide by the EU Regulation no. 2020/852 regarding a framework to facilitate the sustainable investments.

The **Sustainability Report of Alro Group for the year 2024** was prepared in accordance with the Order by Ministry of Public Finance no. 85/2024, and was published part of the Annual report as "Appendix 1 to Alro 2024 Annual Report".

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

Changes in the Board of Directors and Executive Management within ALRO Group

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

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

At the date of this report, ALUM's Executive Management is composed of Mr Gigi Pirlog - CEO and Mrs Mihaela Duralia, CFO. ALUM's Board of Directors is composed of five members: Genoveva Nastase (Chairman), Igor Higer (member and Vice-Chairman), Razvan-Sebastian Pop (Member), Mihaela Duralia (Member) and Ioan Popa (Independent Member).

Other information regarding ALRO and ALRO Group

ALRO, governed in a unitary system aligns its activity with the global corporate governance best practices and has three committees in place to sustain and complete its activity, i.e. the Audit Committee – with powers delegated by the General Shareholders Meeting, Remuneration and Nominations Committees and Risk and Sustainability Committee. These three committees inform regularly the Board of the adequacies and effectiveness of the specific requirements outlined in the Committee's terms of reference.

During the reporting period, the Group's companies did not face the situation of not being able to meet their financial obligations.

In H1 2025 there were no amendments regarding the share owner rights.

Related Party transactions

The Group and the Company enter under normal terms of business, into certain transactions with shareholders, companies under common control, directors and management. The transactions between the related parties are based on mutual agreements, are not secured, and the management considers such transactions to be on an arm's length basis. According to the legislation, the transactions with the related parties are public on the Company's website when these exceed 5% of the net asset value.

The balances of acquisitions, debts and receivables (if applicable) regarding significant transactions with related parties on 30 June 2025 are presented in the Consolidated and separate financial statements for H1 2025 for Alro and its subsidiaries. Regarding the nature of these transactions, they refer to goods sold and services rendered by the Group or acquired by the Group, if the case, from related parties. These are Vimetco PLC, Paval Holding SRL, Alum S.A., Vimetco Extrusion SRL, Conef S.A., Vimetco Trading SRL, Stocare Energie Slatina S.A., Vimetco Management Romania SRL, Vimetco Power Romania SRL, Central Rivergate SRL, Rivergate Fire SRL, CCGT Power Isalnita S.A., Stocare Energie Tulcea S.A.

For more information, about significant transactions with related parties as defined by IAS 24 Reporting Transactions with Related Parties under IFRS Accounting Standards at the date of this Report, please see *Note 21 Related party transactions* of Alro *Interim Consolidated and separate financial statements for the 6 months ended 30 June 2025*.

Corporate Social Responsibility

Corporate Social Responsibility represents the management commitment materialized in several processes, policies, procedures, actions, and initiatives that represent an integrated part of the Group's business strategy. The business contributes to developing a sustainable and performing society in every area. The concept of corporate social responsibility also refers to the companies' involvement in solving some of the communities' problems where it operates.

The benefits of implementing the social responsibility management system are:

- it demonstrates commitment to business ethics and social responsibility;
- it protects the corporate brand;
- it enhances reputation as a responsible corporation;
- Consumers' confidence and positive perception by investors;
- Better employee morale;
- A proper working environment, safe and fair; it promotes the principles of professional ethics;
- Improved working conditions;
- Commercial risk management mitigation;
- Differentiation from other global competitors.

ALRO Group is actively involved in communities' lives by engaging in corporate responsibility programs, from providing social assistance or goods for events following natural disasters to education, sports, and health programs. The Group's management believes in the sustainable development of society, being constantly concerned with improving and developing partnerships and sponsorships, promoting and encouraging CSR practices and principles, protecting the environment, and contributing to the well-being of the community members.

The Group has a policy that constantly identifies individuals interested in its activities, recognizes their legal rights, and encourages their cooperation with the companies within the Group to create wealth and jobs and ensure the sustainability of a financially sound enterprise. ALRO publishes a CSR Report each year, which details all the actions and measures implemented for the community. Partnerships, donations, and sponsorships are some of the main interaction with the community. Based on the existing internal procedure available at each company level, we have established a transparent and non-discriminatory system for selecting and granting sponsorships.

Thus, within each company, we established a Sponsorship Committee, which meets every month and analyses the requests received based on the following criteria:

- the legal nature and object of activity of the applicant
- the value of the sponsorship
- the use and justification of the sponsorship
- other specific criteria.

We have a specific department within each company that is responsible for receiving, registering, and submitting sponsorship requests. All requests are redirected to the Sponsorship Commission's Secretary to be analyzed by the members of the Commission. To verify the purposes for which the various sponsorships were granted, we established a monitoring and verification system that contains both specific contractual clauses and the realization by the beneficiaries of detailed implementation reports and on-site visits.

The Group is aware of the critical role in the communities in which it activates, so it acts with the responsibility to positively influence them through its operations. ALRO has a decisive role in the community's economic, social, cultural, and sports life.

Moreover, ALRO, the Parent-Company, due to its economic and financial potential and because it is the only producer of aluminium and aluminium alloys in Romania, is a representative company not only for the area in which it activates, but for the entire Romanian industry. ALRO is an example of how technical and financial management are blended with the one related to environmental protection and stakeholder management.

At the same time, the Group is responsible for the safety of its products and customers. ALRO Group contributes to the Romanian capital growth and the development of the national economy while ensuring a large number of jobs. ALRO is also a significant contributor to local and national budgets.

In 2025, ALRO continued to contribute and provide support in various humanitarian, social and educational actions and activities. These sponsorships were achieved through partnerships with associations and foundations, with activities in the health, educational and social-humanitarian fields.

The other Group subsidiaries are actively involved, as well, in the activity and welfare of the communities in which they operate.

Human resources development

The Group encourages and promotes projects aimed to ensure the personal and professional development of its employees, as well as the communities in which they operate. Commercial relations with local suppliers are supported and encouraged within the Group, contributing to their development.

The Company has implemented annual employee performance assessments to track specific indicators of employee activity, and subsequently, those with outstanding performances can be encouraged and rewarded.

ALRO Group promotes values such as the accountability of own actions, respect between team members, the priority of the common interest, appeal to honour, creative initiative, the right to a second chance, and continuous professional and personal development.

At the Group's level, it aims to develop and implement a culture and business accountability regarding both environmental responsibility and the community. The Group's management considers that implementing healthy principles of sustainable development and a firm corporate social responsibility policy is meant to generate long-term positive and sustainable results. In this way, the Group can get in the position to generate "win-win" situations for the entire organization and its shareholders, the environment, and, finally, the communities in which it operates.

Moreover, internal safety and health audits are performed daily at ALRO's level. ALRO's position is to show mutual respect for the dignity of the other and not tolerate any form of abusive behaviour, harassment, threat, or violence. Employees are welcomed and encouraged to report any irregularities, abuses, or violations to their supervisor, management, HR, or specific communication channel for whistle blowing. ALRO undertakes to respect the principles of national and international legal requirements of human rights

as stipulated in the Labor Law, European Convention on Human Rights, Universal Declaration of Human Rights, Declaration of the International Labor Organization on fundamental principles and rights at work, the United Nations Global Compact and the UN Guiding Principles on Business and Human Rights.

When it is profitable and the economic conditions allow it, Alro contributes to local communities directly by sponsorships.

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

- In order to maintain a close and continuous relationship with the local community in which ALUM operates, a series of internal procedures have been developed: for the development of the mechanism regarding the resolution of petitions (procedure for the resolution of petitions), the organization of hearings, as well as the procedure regarding the relationship with mass media. In this way, the Company shows its openness to listening and solving the problems of the community and/or other interested parties (citizens, employees, local authorities, collaborating companies, etc.). The society is involved in education, training and other activities of social utility.
- Company-wide policies and codes have been reviewed and/or developed. These were brought to the attention of all employees (and were training in this regard) and other interested parties (by publishing on the company's website), so as to show that we respect the highest standards of ethics and integrity, we respect human rights, we treat everyone with respect and dignity, without direct or indirect discrimination. Thus, the following documents were developed or updated:
 - Anti-harassment guide
 - Code of ethics and conduct of employees
 - Anti-bribery and anti-corruption policy
 - Human rights policy
 - Declaration on Combating Modern Slavery
 - The supplier's code of conduct.
- Maintaining a continuous dialogue with the local community, ALUM representatives being actively involved as members of various organizations (Romanian Red Cross - Tulcea branch, County Commission for Equal Opportunities between Women and Men, Local Social Partnership Development Committee Tulcea, Advisory Council Tripartite constituted at the level of the Tulcea Territorial Labor Inspectorate, etc.), as well as voluntary activities in which employees of the company participate (charitable actions, blood donations, etc.).
- Maintaining, further, a sports-educational partnership for training the children of Alum employees in sports activities (swimming) while also supporting the organization and participation of children in sports competitions (swimming, triathlon).
- At the level of the Local Social Partnership Development Committee (CLDPS), ALUM has 2 representatives (one full member and one alternate). To support actions to support educational institutions and professional training at the local level, the company was actively involved in establishing and approving the annual activity plans in school and professional education (for the school year 2024-2025);
- ALUM participated, through its representatives, as evaluators in the professional qualification certification exams of the post-graduated and vocational education graduates within the Technological High School "Henri Coandă" from Tulcea, for level 5 (post-graduated): electronics & thermo-energy specializations, also for level 4 (vocational education):

technical training as electromechanics & automation;

- ALUM is part of the County Commission for Equal Opportunities (COJES), having one member and one alternate. Through its members, ALUM participates in various meetings and information sessions which it later disseminates to employees.

Vimetco Extrusion in its turn offers sponsorships and donations for humanitarian purposes, when possible. In H1 2025, a donation was made to support EngiNeerds for the participation at international premier event between 18-20 July 2025- The Chicago Robotics Invitational Premier Event.

ALRO Group training policy

The professional training of the employees is carried out based on the annual professional training program approved by the ALRO management. Its main objective is to increase professional skills to improve employees' individual and team performance.

In 2025, the professional training of the employees was carried out according to the Annual Training Program. The training activity within the Group is based on:

- Annual programs for professional development;
- Operational procedures on professional development, competencies, awareness and training, certifications, and professional assessments;
- Collective Labor Agreement;
- Human resources – specialized organizational structure within the Parent-Company and each subsidiary.

Continuous professional training of ALRO Group's employees is carried out based on the annual training programs, which consist of a diverse range of implementation ways:

For workers, in 2025, qualification and requalification courses were organized, programs that allow the establishment, at the organizational level, of a reserve of qualified personnel in deficient trades and the provision of sections with specialized technologist staff.

Thus, qualification courses were organized for the professions of smelter and caster.

Great attention was paid to the ISCIR authorization of the operator for exercising the professions of crane machinist and fork lifter, NDT and UT operators' authorization, and electricians' ANRE authorization.

In July 2025, the employees who participated in the EMBA program, organized in collaboration with ASEBUSS Bucharest, successfully passed the graduation exam of this postgraduate program.

ALRO employees mainly participated in programs in the following areas:

- In September 2025, three employees from AL. Prelucrat will participate in the Aluminium Rolling Technology program, organized in collaboration with Innoval Technology LTD;
- Employees working in the production of aluminum and aluminum alloy products intended for the automotive industry have participated in the training program "CORE Tools SPC" – according to the IATF 16949 Standard;
- In the first semester, for employees in the maintenance and repair field, a course on "Hydraulic Systems Operation" and a course on "Vibration Analysis" were organized.

- Employees from the Production, Financial, HR and Mechano-Energetic Departments participate in the Data Analyst course.
- For employees in the production sections, English language courses were organized.
- Courses were organized in the fields of finance and accounting, human resources (the new REVISAL), occupational health and safety, waste management, etc.
- Professional training sessions were held regarding policies, procedures, and regulations in the field of sustainability (Code of Ethics and Conduct, Human Rights Policy, CSR Policy, Equal Opportunity and Non-Discrimination, Procedure for Handling Requests, Notifications, and Complaints, Cybersecurity Policy, etc.);

In ALUM as well, the professional training of is a permanent concern, and the authorization of workers in different fields is always a priority. During first semester 2025, all the employees ALUM were trained on the policies and codes issued at the company level; they were also retrained to acquire the requirements of SR EN ISO 9001:2015, SR EN ISO 14001:2015, SR EN ISO 45001:2018 and SR EN ISO 50001:2019 requirements applicable to SMI within ALUM SA.

During January 2025, two employees completed training courses in the field of supervision of works on lifting installations (ISCIR) and will obtain the authorization by the end of the year. The same employees also attended training courses as supervisors of works on pressure installations (RSL-IP responsible), strictly mandatory within the framework of the Maintenance and Inspection Authorization of pressure installations.

Another employee attended specialization courses organized by CNCAN and obtained the level 2 practice permit in the nuclear field GR – Radiation Generators, specialty AFX – Physical X-ray Analysis. Procedures were followed and the extension of the level 2 practice permit was obtained – necessary for working in an environment with ionizing radiation imposed by CNCAN Registration Certificate no. CI VG 765/ 2025 regarding the use of radiological installations within the spectrometry laboratory of the person responsible for Radiological Protection.

Vimetco Extrusion also places significant emphasis on human resource development. For digitalization point, the first part of the year was a statement for the use of Info devices in the plant where employees are currently making their holiday request, can print their pay slips, request various certificates. At company level, the annual training plan approved was conceived based on the improvement of knowledge, to be up to date with the legal requirements and most importantly to strengthen the team. The professional training of the employees is carried out with external suppliers of training and also internal trainers.

At company level, the annual training plan approved for 2025 was conceived based on the improvement of knowledge, to be up to date with the legal requirements and new authorizations.

For production workers, in the first semester qualification and re-qualification courses were organized, for crane operators and forklift drivers. New sessions of internal training regarding HSE and Emergency responsiveness and preparedness were held for different departments.

TESA employees participated in training sessions across various fields, including finance, finance for non-finance and project

management, to stay current with legal requirements and benefit from specialized programs that provide access to the latest information and financial practices.

The field of security occupies an important role this year. One training course for Specialist in Information Systems Security Procedures and Tools according to ISO/IEC 27001:2022 was completed and another training for Cyber Security Specialist Course is ongoing.

Anticipated professional training

The main goal is to offer advanced training to future potential employees (i.e. pupils from vocational and high schools, students, other categories of young people, etc.).

Alro has active partnership with the Slatina Metallurgical High School for the vocational school, partnership with the National University of Science and Technology Politehnica Bucharest, the Transilvania University of Brasov and the University of Craiova.

In this first semester, VE was present at different meaningful events for HR, destined to create awareness and visibility:

- Top Employers 2025
- Magnetico – Meaningful HR Policies
- Resource by OLX – HR conference
- Ascendis Conference - Competencies for the Future: Leadership and Digitalization

In April 2025 Vimetco Extrusion was present at the Polifest Bucharest – a three-day career fair event for students at Politehnica University.

Dual professional education: The Academy Skills Project

Through this partnership, ALRO became an active part of the training and professional qualification process, providing qualified staff, workshops, and space for practical classes and providing logistics and equipment so that students can obtain and apply the skills required to perform the qualifications chosen.

As part of the workforce pre-training programs in qualifications and specializations relevant to the company's field of activity, as well as within its recruitment and selection programs, ALRO participated in career events and job fairs organized by the National University of Science and Technology Politehnica Bucharest (POLIFEST – 14th Edition and Energy Fest – an event organized by the Faculty of Power Engineering).

In the first semester of 2025, meetings were organized with students from the Faculty of Materials Science and Engineering in Bucharest, the Faculty of Electrical Engineering in Craiova, and the Faculty of Automation, Computers and Electronics in Craiova.

On these occasions, we had the opportunity to interact not only with students – the future specialists – but also with representatives of the educational institutions within the university campus.

In May, students and teaching staff from the National University of Science and Technology Politehnica Bucharest — specifically from the Faculty of Materials Science and Engineering, the Faculty of Power Engineering, and the Faculty of Mechanical Engineering and Mechatronics — as well as from the Faculty of Sciences in Craiova, carried out documentation visits to ALRO.

Starting in June of this year, a total of 18 students from these educational institutions completed their specialized internships at ALRO.

Starting in the second quarter, ALRO launched a project to renovate, arrange, and equip a laboratory within the Faculty of Materials Science and Engineering. The laboratory will carry the ALRO brand and will be inaugurated during the Material FEST event, scheduled to take place in November of this year.

Subsequent events

In June 2025, the Group subsidiary was subject to a fiscal audit from the National Agency for Fiscal Administration related to deliveries and purchases made on the national territory and VAT, covering the period January - March 2025. In July 2025, the audit was completed without fiscal consequences.

In July 2025, ALRO Group obtained the Environmental Consent for the construction of a 470 MW combined cycle power plant on natural gas in Slatina (with gas/hydrogen mix when this will be available). The investment consists of the construction of a combined cycle gas turbine power plant that will produce electricity through two thermodynamic cycles, being an efficient, operational and environmentally friendly technology, responding to the strategic objectives established by the National Strategy on Adaptation to Climate Change for the period 2024-2030, with a perspective of 2050. Thus, the investment will contribute to securing the supply of electricity, being a necessity for the aluminum industry and will support the long-term development plans of the Company in a challenging business environment.

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

Risk management and internal control system

The management of the risk to which the Group is exposed

According to the BSE's Code of Corporate Governance adopted by the Company and the Group, ALRO Group meets the requirements of:

- Transparency, financial reporting, risk management and internal audit;
- Having Board members with the necessary professional training or a significant and relevant managerial experience, allowing them to analyse the overall financial position of the Company and the Group;
- Risk management processes and corporate governance, ensuring that these mechanisms are functional and effective.

The Board members support, coordinate, and actively improve the risk management system through continuous and direct monitoring. The risk management is conducted under policies approved by the Board. The treasury department identifies, evaluates, and hedges financial risks in close collaboration with the operational units of the Group. The Board provides written principles for overall risk management and written policies covering specific areas such as currency risk, interest rate risk, credit risk, and price risk.

At the same time, risk management is an integral part of the decision-making process within the Parent-company, ALRO. Each major project or the implementation of a new strategy or direction (respectively regarding the investments area or, for example, changing the production mix) involves organising meetings with the Company's top management and the Group engaged in the respective project.

These meetings aim to examine these decisions from all points of view and, implicitly, assess the risks associated with them and determine whether the expected results to be obtained after implementing a new project will be beneficial for the Group's business model. Moreover, third-party experts' opinions are considered (e.g. internal audit and/or external consultants, depending on the situation). They are subsequently used for making the final decisions so that the final verdict is based on a comprehensive and objective analysis.

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

The Group and the Company activities expose them to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The Group and the Company overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group and the Company financial performance. The Group and the Company may use derivative financial instruments to hedge certain risk exposures.

The Audit and Risk&Sustainability Committees carry out risk management throughout the organisation. Please see the other relevant sections dedicated to these committees' duties in this respect.

Operational and Commercial Risk

The Group's results depend on the market for primary aluminium, a highly cyclical commodity affected by global demand, international environment political factors, and supply conditions. The price of aluminium has historically been volatile and subject to wide fluctuations in response to relatively minor changes in supply and demand, market uncertainty, the overall performance of global and regional economies, currency fluctuations, and speculative actions. In addition to the Primary Aluminium market, the Group's results depend on the flat rolled aluminium market. Moreover, the primary and processed aluminium market is global and highly competitive.

Also, the Group is vertically integrated and has a diverse and complex portfolio of assets, production capacities, inventories. The Parent-company, ALRO, ALUM, VE are particularly exposed to risks related to the safety of production processes and event risks like explosions, strategic equipment failure, etc. Thus, analyses are performed, incidence scenarios are developed and, afterward, safety plans are set in case of occurrence. For the strategic equipment spare parts, inventories were made. In the case of unforeseen events, the Group can resume operations as quickly as possible, and thus, the inherent losses in such situations are minimised.

In addition to these safety measures and plans, the Group has an active insurance policy that covers both the material damage for equipment and inventories and any possible losses resulting from equipment failures, which could lead to the interruption of the operations for a specific time.

Capital risk management

The Group and the Company's objectives when managing capital are to safeguard the Group and the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure so as to reduce the cost of capital.

The capital structure of the Group and the Company consists of debt, which includes the **Total borrowings and leases** disclosed in Note 19, net of **Cash and cash equivalents, adjusted** as disclosed in Note 18 and shareholders' equity.

The Group and the Company management reviews the capital structure on a regular basis. As a part of this review, management considers the cost of capital and the risks associated with each class of capital. In order to maintain or adjust the capital structure, the Group and the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Market risk

The Group and the Company's activities expose them primarily to the financial risks of changes in commodity prices, energy prices, foreign currency exchange rates and interest rates. The Group and the Company are naturally hedged through the price of ingots and scrap material. The Group and the Company may enter into a variety of contracts for derivative financial instruments to manage their exposure to market prices, such as:

- commodity options to protect Group and Company cash flows from the adverse impact of falling aluminium prices;
- swaps to manage the needs of clients for fixed prices and the associated commodity price risks resulting from quotations of aluminium based on the London Metal Exchange price for High Grade Aluminium.

The Group is exposed to market risk through the prices of traded products and the variations in cash flows generated by its activities: refining alumina, obtaining primary and processed aluminium, and extruded products. Therefore, this is a significant risk for the Group and Company and should be considered a strategic component in determining the Group's and Company's risk profile, due to its effects directly visible in the Group's cash flows, respectively of the Parent-company. Consequently, this risk is closely monitored and analysed. Reports that supervise the cash flows evolution are prepared regularly, so sufficient liquidities are permanently provided for the everyday running of operations.

When considered appropriate and economically efficient, ALRO may use hedging to reduce the level of exposure against market risk; it does not contract or trade derivative financial instruments for speculative purposes. When such contracts are concluded, derivative financial instruments are monitored and measured monthly at fair value. For further details, please see Note 36 – **Risk management**, included in the Consolidated Financial Statements at 31 December 2024.

Foreign currency risk

By considering the nature of the activities carried out, the Group and the Parent Company are subject to foreign currency risk. These risks refer to exposure to the volatility of the functional currency against other currencies such as USD and EUR (a share of the aluminium sales are denominated in USD or EUR, while a large part of the operating costs depends on the functional currency, RON). Foreign currency risk results from future commercial transactions of receivables and liabilities. Thus, the effect of foreign currency risk on cash flows and the correlation with the aluminium price on the international markets are constantly monitored. In this way, it is possible to hedge the anticipated cash-flows in foreign currencies to the extent that the market allows doing this with reasonable costs within the limits of the available trading lines. Considering the net exporter position of the Company, any depreciation of the local currency against USD and EUR is beneficial for the business.

The Group and the Company operate internationally and undertake certain transactions denominated in foreign currencies. Hence, the Group and the Company are exposed to foreign exchange risk arising from various currency fluctuations against the reporting currency, primarily with respect to the EUR and USD. Exchange rate exposures are analyzed and managed by natural hedge with transactions in foreign currencies by utilising spot or forward foreign exchange contracts or other types of derivatives. The risk management policy used by the Group and the Company is to hedge between 0 and 50% of anticipated cash flows in USD and EUR (Romanian sales and purchases) by practicing an active hedging policy and thus covering a variable percentage based on the market opinions regarding future exchange rates correlated with the net exporter position of the Company, as far as the Management considers it appropriate and the market allows this at reasonable costs.

The Group's exposure to currency risk results from:

- highly probable future transactions (sales/ purchases) denominated in foreign currency;
- firm commitments denominated in foreign currency, and
- monetary items (mainly trade receivables, payables, and borrowings) denominated in foreign currency.

No foreign exchange options contracts were entered into in 2025, and no option contract was outstanding. For further details, please see Note 36 – **Risk management** of the Audited Consolidated and Separate Financial Statements for the year ended 31 December 2024.

Interest rate risk

The Group and Company are also exposed to interest rate risk through its operations and financing agreements. Therefore, the volatility of interest rates such as EURIBOR, or ROBOR and CME Term SOFR (see Note 19 of Interim Consolidated Financial Statements) can generate variations of cash flow resources needed to make interest payments related to liabilities contracted by the Group. These interest rate risks are constantly monitored and quantified.

The Group has no significant interest-bearing assets, revenues, and cash flows being substantially independent of changes in market interest rates.

Commodity price risk

Commodity price risk is the risk that the Group and the Company's future earnings could be adversely impacted by changes in the market price of aluminium. The Group and the Company's internal policy is to manage the identified commodity price risk by natural hedge when possible. Also, the Company can enter for a part of the remaining quantity at risk into derivative contracts such as aluminium swap agreements and ratio-collar transactions on aluminium, when there are favourable market conditions. Commodity price risk receives special attention from the Group's management having strategic importance in the Group's risk profile because it directly impacts the short and medium-term liquidity of the Group and/ or the Company.

Commodity price risk is analysed in detail; its effects are constantly monitored and quantified. Thus, the potential adverse impact can be decreased for achieving the Group's medium and long-term goals.

Credit risk

The credit risk refers to the risk that the counterparty might default on its contractual obligations, resulting in financial losses for the Group. To minimise this risk, the Company sells most of its accounts receivable to financial institutions through non-recourse factoring.

ALRO Group has adopted a prudential policy, and it trades only when the potential risk of financial losses resulting from non-fulfilment of the contractual obligations is mitigated. Sales cover the credit risk against non-recourse factoring, and the Group trades only with reliable counterparties and guarantees such as a letter of credit, promissory note, or cheque. Furthermore, the accounts receivable consists of many clients from different industries and geographic areas. The credit risk exposure is controlled through limits imposed on each client, analysed and submitted to the Group's management approval, and monitored daily by a dedicated department. The Group permanently assesses their credit risk based on the clients' financial performance and their payment history.

Concerning the assets from derivative instruments, the maximum exposure to the credit risk is represented by the fair value at the reporting date.

The Corporate Finance Department manages the credit risk resulting from the transactions with banks and financial institutions. Excess liquidity is invested only with approved banks and credit lines and limits assigned to each counterparty. The counterparty credit limits are annually reviewed by management and may be updated during the year. The limits are set to minimise the concentration risk and thus to decrease the possible financial losses from default by the counterparty. It is estimated that there is no significant exposure from failing to settle the contractual obligations by counterparties regarding financial instruments.

Liquidity risk

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

Prudent liquidity risk management implies maintaining sufficient cash and tradable values financing availability with an adequate amount from committed credit facilities. The management regularly monitors rolling forecasts of liquidity reserves of the Company.

Taxation

Current income tax

The current tax payable is based on the taxable profit realised during the year. The taxable profit differs from the retained profit within the consolidated statement of profit or loss because of the revenues or expenses items taxable or deductible in some years and because of things that are never taxable or deductible. Unlike in 2024, the Parent Company was no longer subject to the 1% minimum turnover tax (IMCA). Instead, it fell under the scope of the 0.5% Additional Turnover Tax (ICAS), applicable to entities operating in the oil and natural gas sectors. Accordingly, the Parent Company recorded an expense of RON 10,370 thousand in the first half of 2025, presented under "Taxes other than income taxes" within General, administrative and selling expenses (see Note 7).

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

Deferred tax

Deferred tax is recognised based on temporary differences between the book value of assets and liabilities in the consolidated financial statements and the corresponding tax bases used to calculate taxable profit. Liabilities regarding deferred tax are generally recognised for all temporary taxable differences.

Deferred tax assets are generally recognised for all deductible temporary differences as far as it is probable that taxable profits will be available, against which the deferred tax receivables can be used. Deferred income tax assets or liabilities are not recognised if the temporary difference is generated by the initial recognition of goodwill or from the initial recognition of an asset or a liability in a transaction that is not a business combination and, at the time of the transaction, does not affect the accounting profit, nor the taxable profit (tax loss).

Concerning investments in subsidiaries and associates, and interests in joint participation, deferred income tax liabilities are recognised as taxable temporary differences, except where the Group/ Company can control the restatement of the temporary difference and, probably, the temporary difference will not be restated in the predictable future. Deferred tax assets resulting from temporarily deductible differences associated with such investments and interests are recognised only if it is probable that there will be sufficient taxable profits for which to use the benefits of the temporary differences and they are expected to be restated in the predictable future.

The carrying value of the assets to which the deferred tax is applied is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to fully or partly recover the assets. Deferred tax assets and liabilities are measured at the tax rate presumed to be applicable in the period when the recovery of the liability or the realisation of the asset is estimated, based on the tax rates (and on the tax laws) that are effective or will be effective until the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the

tax consequences in terms of what tax is expected to arise from how the Group foresees to recover or deduct the accounting value of assets and liabilities at the end of the reporting period.

Annual current and deferred tax

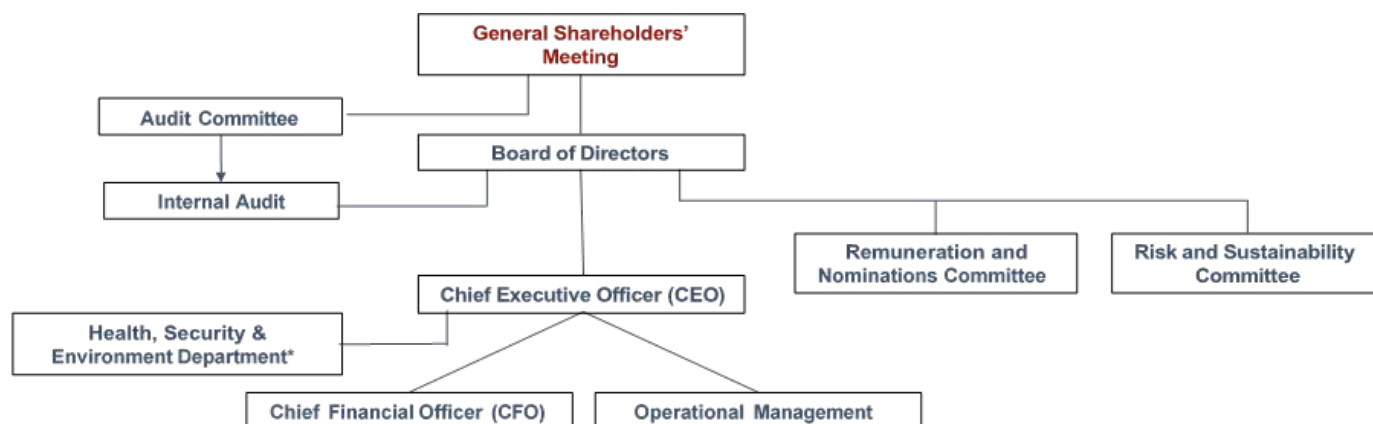
Annual current and deferred tax are recognised in the consolidated statement of profit or loss unless they relate to items that are recognised in other comprehensive income or directly in equity. The annual current and deferred tax are also recognised in other comprehensive income, respectively in equity.

For further details, please see **Note 11 – Income Tax** of the Interim Consolidated and Separate Financial Statements for the 6 months ended 30 June 2025.

Corporate governance structures updates

During the reporting period, the Company had the following corporate governance structures: Board of Directors and Executive Management, Audit Committee, Remuneration and Nominations Committee, Risk and Sustainability Committee,

ruling structures that represent the interests of the Group, of the Parent-company and its shareholders and is responsible for the overall management of the business.



Notes:

* From an operational point of view, this function is directly subordinated to the CEO
The Audit Committee supervises the Internal Audit Team

In 6 months 2025, the Board of Alro held 12 meetings that were attended by all Board members except for: Mr. Marinel Burduja who participated in 8 meetings, Mr. Vasile Iuga who participated in 10 meetings, Mr. Igor Higer who participated in 9 meetings and Mr. Gheorghe Dobra and Mr. Marian Nastase who attended 11 sessions, each.

The Audit Committee (consisting of: Mr. Vasile Iuga, Mr. Adrian Manaicu and Mr. Dorel Paraschiv) met in 6 meetings in 2025, which were attended by 3 out of 3 members.

The Remuneration and Nominations Committee (consisting of: Mr. Marian Nastase, Vasile Iuga, Mr. Marinel Burduja) met in 2 meetings attended by 3 out of 3 members.

The Risk and Sustainability Committee (consisting of: Mr. Vasile Iuga, Mr. Marinel Burduja, Mrs. Svetlana Pinzari, Mr. Adrian Fercu and Mr. Darius Paval) met in 1 meeting attended by 5 out of 5 members.

Internal control system

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

Since 2018, the Company has had an Audit Committee, a committee elected by the EGSM of ALRO. The Audit Committee has powers delegated to it under the Articles of Incorporation and the applicable legislation and standards. The Audit Committee is made of three members, elected by the EGSM, and comprises at least two members that must be independent of the Company.

For a detailed description regarding the objectives and internal control system of Alro Group, please see the chapter in the Annual Report of Alro Group for 2024.

Internal audit

Since December 2023, Alro has had an external company as internal auditor of Alro, currently appointed for a 3-year mandate. The internal audit activity is regulated by the Guide on the Implementation of International Internal Audit Standards (Ghidul privind Implementarea Standardelor Internaționale de Audit Intern, "the Guide") issued by CAFR in order to contribute to maintaining high quality standards for the organization, management and practice of internal audit missions by financial auditors, members of CAFR, who coordinate internal audit activities, as well as those who are part of the internal audit mission teams. The internal audit company reports directly to the Board of Directors of ALRO and its activity is coordinated by the Audit Committee of Alro.

Management fair reward and motivation

Remuneration policy

In H1 2025, the remuneration of the Board members and/ or Executive Management was in line with the strategy and with the long-term interests of the Group and Company, and it was directly linked to the members' responsibilities and with the time spent performing their functions.

ALRO has in place a Remuneration and Nominations Committee which has powers delegated by the Board of Directors and is composed of three of the Board's non-executive members, out of which two of them are independent members and the Chairman of the Board has to be one of the members. The set-up of this committee represents another example of best governance

practices implemented by the Company with the main objective to protect shareholders' interests concerning the remuneration of the Board members, Executive Management (i.e. the managers having the right, according to the Bylaw, to represent the Company) and Senior Management (heads of divisions directly subordinated to the General Manager) by ensuring that the Company maintains and adheres to a remuneration strategy and policy that attracts and retains individuals of the highest quality, including as part of a succession planning for all the key functions of the organization, while at the same time avoiding the risk of overpayment.

Compliance with Whistleblower Legislation

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

The channels made available to whistleblowers are as follows:

- A report collection form on the website/intranet pages;
- An automated phone line (telephone robot) for receiving complaints (0349.880.551);
- A dedicated e-mail address (sesizari@alro.ro);
- Specially created mailboxes at the company's gates for receiving complaints;
- Reports can also be sent by mail to ALRO's address: Str. Pitești, No. 116, Slatina;
- Reports can also be made in person to the person designated by ALRO to receive reports and initiate the subsequent actions for resolving the reports.

In H1 2025, no reports were registered on the reporting channels regarding violations of legislation or internal procedures.

Diversity

The Group supports diversity inside the Company and inside its subsidiaries concerning the administrative, executive management, and supervisory bodies, in respect of the age, gender or education, and professional experience.

The percentage of women in the total number of ALRO employees was around 21% in H1 2025 (2024: 21%). Even if this seems to be a small one at first sight, this is in line with the average for the aluminium industry and the activities carried out within ALRO production facilities. This percentage is not the result of any discriminatory policy. On the contrary, ALRO provides equal chances without discrimination for both females and males, but the attractiveness of the metallurgical industry, in general, is modest for women. However, there are departments within ALRO, such as finance, human resources, and commercial where the number of women is equal, or even higher than the number of men in the total number of employees.

Moreover, ALRO's Board has two female members, and ALRO's CFO, the Deputy CFO and the Marketing Director are women. Furthermore, around 26% of middle management positions are held by women. Additionally, within the Company, the persons

holding executive positions are between 33 and 65, and their education and professional experience differ (i.e. engineering, economy, finance, law, etc.). Still, it is relevant for the position held.

Adding value through investor relations

Investor Relations Activities

During H1 2025 and H1 2024, the Group has communicated with stakeholders through several press releases and participated in press conferences or meetings with investors, analysts, media, and specialized events.

Alro organizes conference calls with investors and analysts to present the annual, quarterly and half-year results. These conference calls are conducted four times a year, after the annual, half-year, and quarterly results. These conference calls represent another step forward by ALRO to interact more with investors, analysts, and other stakeholders interested in the Company's results and activity. The dates when these conferences are held are included and announced through the annual financial calendar published on the Company's website and sent simultaneously to BSE and FSA. All interested parties in the Company's activity and updates are welcome to participate. Also, ALRO's representatives participate in at least one event dedicated to investors (institutional and/ or individual investors) organized in Romania or abroad.

Starting 2007, ALRO has reported to the capital markets consolidated financial statements prepared under IFRS Accounting Standards, which gives the financial reports a higher level of transparency and comparability from one period to another and with its peers, the other international companies in the aluminium industry. ALRO also publishes consolidated financial statements quarterly and separate financial statements for the annual and half-year results.

ALRO prepares its consolidated and separate financial statements following the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, which is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, except for the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, except for the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense. These exceptions do not affect the compliance of the financial statements of the Group and the Company with IFRS Accounting Standards, as adopted by EU.

ALRO aims to ensure a permanent dialogue with third parties. Thus, it publishes in real-time, immediately after sending any price-sensitive information to BSE and FSA, such as the Company's financial reports, press releases, and all other relevant information for shareholders, analysts, investors, and other stakeholders on the Company's website within the Investors Relations section.

ALRO publishes press releases about its investments, sustainability, and corporate social responsibility initiatives, activities to reduce the Company's environmental footprint, and other actions and/ or partnerships with the local communities, aiming to create a positive impact on them.

Sustainable development and Corporate Social Responsibility (CSR)

Sustainable development

The constant involvement in environmental protection activities is part of the Group's long-term development strategy. The Group permanently monitors its environmental footprint and takes the necessary measures to comply with the specific environmental rules. Also, besides the particular investments in environmental protection programs, the Group uses modern technologies in line with the requirements in this field.

The Group holds in Romania the following environmental permits:

- ALRO holds Integrated Environmental Authorisation for both primary and processed aluminium sectors;
- ALUM holds the Integrated Environmental Authorisation, permanently under monitoring and reporting obligations. It also has about 44 other authorisations, certifications, attestations, and accreditations; and
- Vimetco Extrusion holds an environmental permit which is renewed when substantive changes occur under the environmental legislation.

At the same time, the environmental protection investment programs allowed ALRO to obtain ISO 14001 certification for environmental protection management. Investments in energy efficiency place ALRO at the top of aluminium producers with the lowest specific consumption rates in the European Union. On their return, ALRO's subsidiaries hold more certificates, among which we mention the following:

- **ALUM**
 - certificate for quality management system according to SR EN ISO 9001:2015
 - certificate for environmental management system according to SR EN ISO 14001: 2015
 - certificate for occupational health and safety management according to SR EN ISO 45001:2018
 - energy management system certificate according to SR EN ISO 50001: 2019;
 - in October 2022, ALUM recertified the integrated quality - environment - health and safety at work - energy management system according to the following reference standards: SR EN ISO 9001: 2015; SR EN ISO 14001: 2015, SR EN ISO 45001: 2018 and SR EN ISO 50001: 2019. Increasing the energy performance in ALUM is another primary objective of ALRO Group. Starting with 2017, we have implemented in ALUM an energy management system based on the ISO 50001 standard. Over the years, we have conducted various energy audits that have helped us improve our energy performance management. More information can be found in ALRO Group's Sustainability Report, available on the ALRO and ALUM websites.
 - Starting Q3 2024, ALUM started the definition and implementation within SMI (Quality - Environment - OSH - Energy) of the standards: SA 8000:2014 Social responsibility management system and SR EN ISO/IEC 27001:2023 - Information technology, cyber security and privacy protection - Information

security management systems and alignment with the standards: ISO 55001:2024 - Asset management — Asset management system, SR EN ISO/ IEC 17025:2018 - General requirements for the competence of testing and calibration laboratories and Aluminum Stewardship Initiative (ASI) – Performance Standard V3 (2022).

• **Vimetco Extrusion**

- Certificate for quality management system according to SR EN ISO 9001:2015;
- Aluminum products and aluminum alloys for structures in construction according to EN 15088;
- Quality requirements for fusion welding of metallic materials – Part 2: Comprehensive quality requirements according to ISO 3834-2:2021;
- Execution of steel structure and aluminium structures – Part 3: Technical requirements for aluminium structures according to EN 1090 -1:2009+A1:2011 & EN 1090-3:2019.
- ISO 14001: 2015 standard, internationally recognized standard for environmental management systems (EMS). It provides a framework for organizations to develop and implement policies, manage environmental aspects, and improve their environmental performance.
- Aluminum Stewardship Initiative(ASI)- The ASI Performance Standard defines environmental, social and governance principles and criteria, which address a broad range of sustainability issues in the aluminium value chain.

Within ALRO Group, measures to reduce energy consumption were implemented and continue to be in the entire production process chain. For example, ALRO operates a production facility that uses scrap aluminium which is currently being extended, this being another method of reducing energy consumption and actively contributing to scrap reduction. Besides this, ALRO significantly improved its CO₂ emissions status within its electrolysis (which represents the division with the highest CO₂ emissions for producing primary aluminium). It aims to situate within the first ten worldwide aluminium producers (except China) from an energy efficiency perspective for the electrolysis area after it finalizes the implementation of the AP12LE project.

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

Additionally, the management takes permanent measures within the entire Group to prevent significant accidents involving dangerous substances. Therefore, the Group monitors the implementation of the measures that lead to the elimination of the risks of events, which could harm the environment and agrees on the response action plan, if the case.

Environmental responsibility

Creating value by operating a sustainable and long-term business represents one of ALRO Group's development strategy's fundamental pillars. Being aware of its environmental impact, the Group has continuously monitored its carbon footprint and implemented specific measures to become a green factory, innovative and sustainable with near to zero emissions and waste.

Aluminium can be considered a decarbonization vector for other industries due to its unique properties and potential uses. One of the main advantages of aluminium is that it is lightweight yet strong, making it an ideal material for transportation. Using aluminium instead of heavier materials such as steel can reduce the weight of vehicles and airplanes, which in turn reduces their fuel consumption and associated carbon emissions.

In addition to the transportation sector, aluminium can be used as a decarbonization vector in other industries, such as construction and packaging. In construction, aluminium can be used as a lightweight and durable material for building facades, roofs, and other structural elements. In packaging, aluminium can be used as an alternative to plastic, which is a significant contributor to plastic pollution and carbon emissions.

Furthermore, aluminium is highly recyclable, which makes it a sustainable material choice. Recycling aluminium requires significantly less energy than producing new aluminium from bauxite ore, and it can be recycled indefinitely without losing its properties. By using recycled aluminium instead of new aluminium, the carbon footprint of the material can be significantly reduced.

Overall, the unique properties of aluminium and its potential uses in various industries make it a promising decarbonization vector that can contribute to reducing carbon emissions and combating climate change.

ALRO Group's major environmental goals are:

- compliance with the environmental law adopted under the European requirements and strict compliance with all legal regulations in force;
- continuous improvement of activities, processes, products, and environmental performance;
- preparation for emergencies and the ability to respond, organize and conduct simulation drills for incidents involving classified substances;
- prevent pollution and reduce its environmental impact through investments, organizational measures, maintenance, repairs, and technological changes;
- continuous monitoring of environmental aspects of the production activity through weekly environmental programs.

Following the European Commission decision 2016/1032 as of 13 June 2016, establishing best available techniques (BAT) conclusions, under Directive 2010/75/EU of the European Parliament and the Council, for the non-ferrous metals industries, ALRO environmental permit was last revised April 2024.

Therefore, ALRO follows the most stringent requirements regarding emissions, using the best available techniques for the aluminium industry. A relevant example is that ALRO started using baked anodes with low sulphur content to comply with BAT 69 and BAT 69 (a) requirements. This circular economy creates new economic opportunities and stimulates the long-term competitiveness of the Group.

Following the same direction of increasing efficiency and lowering its impact on the environment, the Group continued to increase the amount of recycled and re-melted aluminium scrap in the Eco-Recycling Facility and the Cast-House.

At ALRO, there are two green waste dumps. The Company has removed asbestos as construction material, and inert wastes, such as crushed concrete generated during demolishing works,

are recycled. At the Group level, metal scrap and carbon-containing wastes are recycled and hazardous wastes from oils, which relevant authorized operators recycle.

The Group is allocating significant resources to minimize the environmental footprint, identifying the best solutions for capitalizing on by-products and waste in all the companies. Aluminium can be recycled indefinitely without losing its properties. Thus, it can be used repeatedly for the same purpose; the Group is focused on promoting the principles of the circular economy to create new economic opportunities and stimulate the long-term competitiveness of the Group.

For greenhouse gas emission monitors 2021-2030, ALRO has implemented the following European regulations:

- (EU) 2020/2085 amending and correcting Implementing Regulation (EU) 2018/2066 on the monitoring and reporting of greenhouse gas emissions according to Directive 2003/87/EC of the European Parliament and the Council;
- (EU) 2018/2066 on the monitoring and reporting of greenhouse gas emissions according to Directive 2003/87/EC of the European Parliament and the Council and amending Commission Regulation (EU) No 601/2012;
- (EU) 2019/331 determining transitional Union-wide rules for harmonised free allocation of emission allowances according to Article 10a of Directive 2003/87/EC of the European Parliament and the Council.

ALRO has obtained approval from the National Agency for Environmental Protection for the new Monitoring Plans 2021-2030 related to the new GHG Permits. These are uploaded on the EC's platform using the EU Declaration tool.

ALRO complied with all air emissions requirements Commission implementing decision (EU) 2016/1032 establishing best available techniques (BAT) conclusions, under Directive 2010/75/EU of the European Parliament and the Council, for the non-ferrous metals industries.

Moreover, ALRO is monitoring the planning methodology for the fourth monitoring period of the EU ETS for 2021-2030 for ALRO Primary and ALRO Processed Divisions requested by EC.

ALRO Group continuously takes measures to operate following the highest environmental standards which apply to its activity. Another objective refers to environmental protection and ensuring the welfare of the Group's communities. Thus, Management has continued to invest in modernization and efficiency of its activity by implementing several measures, such as:

- monitoring emissions on the premises and in the production
- promoting an organizational culture and an environmental protection mindset among employees, including specific training seminars (water production, storage, treatment, and distribution training; waste management training; environmentally responsible training, etc.); efficient waste management; ensuring the protection of human settlements and improving ecosystems.

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

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

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

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

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

- End poverty in all its form everywhere;
- Ensure healthy lives and promote well-being for all at all ages
- Ensuring inclusive and equitable quality education and promoting lifelong learning opportunities for all;
- Achieve gender equality and empower all women and girls;
- Ensure availability and sustainable management of water and sanitation for all;
- Ensuring access to affordable, reliable, sustainable and modern energy for all;
- Promoting sustained, open economic growth and sustainable, full and productive employment of labour and decent work to all;
- Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation;
- Reduce inequalities within and among countries;
- Ensuring sustainable consumption and production patterns;
- Take urgent action to combat climate change and its impact;
- Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss;
- Promoting peaceful and inclusive societies for sustainable development, access to justice for all and creating efficient, responsible and inclusive institutions at all levels.

Climate change refers to the long-term changes in the Earth's climate, including temperature, precipitation, and sea levels, as a result of human activities such as burning fossil fuels, deforestation, and industrial processes. The impacts of climate change are widespread and diverse, affecting natural systems, human societies, and the global economy in various ways. The impacts of climate change are far-reaching and require urgent action to mitigate and adapt to its effects.

Due to the growing concern on this topic, which is an actual subject for the current context, ALRO and ALRO Group set out to adapt their activity to align with the transition to a cleaner society. That supports, in fact, the management of a responsible and sustainable business model with a real concern for reducing carbon emissions but also obtaining economic benefits for local communities and the national economy. We are aware of the Group's potential impact on the environment; therefore, we continuously monitor emissions and implement specific measures given our strategy to become a green, innovative and sustainable factory with zero untreated emissions and waste deposited in the dump.

Therefore, since 20 years ago, ALRO has made significant investments in energy efficiency for the purchase of state-of-the-art equipment that has allowed a considerable decrease in the electricity consumption rates, an increase in the amount of recycled aluminium and a reduction in the Company's carbon footprint. At the same time, these investments have allowed high and very high value-added aluminium products to manufacture, so ALRO has become a member of the exclusive club of world aluminium producers that deliver products for the aerospace industry.

At present, ALRO and ALRO Group companies are giving even more importance to projects that can positively impact the environment, sustainable development projects or circular economy in the context of the European Green Deal, which aims to achieve climate neutrality by 2050. ALRO's reference project, AP12LE, which was launched in 2018, represents a new design of the electrolysis pot with low energy consumption that will allow ALRO to reduce the amount of electricity needed to produce primary aluminium. After completing this project, ALRO will be in the top ten aluminium producers worldwide, excluding China, from the energy efficiency perspective in the electrolysis department, according to studies published by third parties. Also, increasing the energy performance in ALUM is another primary objective of ALRO Group. Starting 2017, we have implemented an energy management system based on the ISO 50001: 2018 standard in ALUM. Over the years, we have conducted various energy audits that have helped us improve our energy performance management. More information can be found in ALRO Group's Sustainability Report, available on the ALRO and ALUM websites.

In addition, we aim to improve communication on climate change risks and opportunities. We are analyzing the work of international organizations that have developed principles and criteria for monitoring the measures implemented and the progress made in this area. We are aware of the importance of this topic in the stakeholder agenda and the complexity of the areas involved in closely monitoring all related implications; an additional corporate governance structure has been created at ALRO's level by setting up a Risk and Sustainability Committee. Climate risks and the organization's definition of a coordinated strategy at the Group level are priorities. Within the Group, several scenarios are analyzed to ensure the activity of the Group's companies sustainably and responsibly. Efficient carbon management of

ALRO is one of our priorities directly affecting climate change mitigation and responsible resource management.

Also, starting with 2021, based on Article 8 of this EU Regulation 852/2020, ALRO Group included in its consolidated Sustainability Report how and to what extent its activities are considered eligible in line with the EU Taxonomy requirements. The European Commission established within specific Delegated Acts (Disclosures Delegated Regulation (EU) 2021/2178 and EU Climate Delegated Act 2139/2021) how to establish eligibility and alignment of economic activities and how to report to comply with EU Taxonomy requirements.

Starting 2023, the Group analyzes to what extent will can report the alignment with the technical screening criteria according to the EU Climate Delegated 2139/2021. The Group's management is aware of the implications of these new reporting requirements and has initiated internal steps to ensure compliance with EU Regulation 852/2020.

In 2022, ALRO received the necessary favorable opinion from the Environmental Fund Administration, taking into account the provisions of Ordinance no. 2/2021 on waste disposal pursuant to art. 14 and 40 letter b), for:

- updated technical projects for the closure and post-closure monitoring of the non-hazardous industrial waste landfills ALRO Primary and ALRO Processed, with addresses at 116 Pitești Street and 1 Milcov Street, Slatina, Olt County;
- quarterly graphs with the explanation/detailing of the amounts regarding the funding of the funds up to the values established by the updated technical projects for the closure and post-closure monitoring.

In 2022, ALRO completed the SIATD application of the Environmental Fund Administration for the reception of aluminum scrap for recovery under Regulation (EC) No. 1157/2024 on the transport of scrap. Transports are registered in the ROAFM online application.

Furthermore, starting with December 2024, ALRO implemented the model of the final recovery certificate of scrap, which is mentioned in Commission Regulation (EU) 2024/2571 and which supplements Regulation (EU) 2024/1157 on the shipment of waste. It specifies the details that must be included in the certificate attesting the completion of the final recovery operations of the

Shareholders' information

General information

ALRO S.A. shares have been listed on the Bucharest Stock Exchange, Premium Tier Category under the ticker symbol "ALR" since October 1997.

Total market value for ALRO as of 30 June 2025 is RON 1,070,668,702.5 (calculated based on the BSE quotation available on 30 June 2025 - the last day when ALRO's shares were traded: 713,779,135 shares*1.5 RON/ share).

ALRO S.A owns 99.40% of ALUM S.A. shares, which is listed on Bucharest Stock Exchange since December 1997 on RASDAQ and migrated towards the ATS segment, AeRO category in May 2015. Its shares are traded under the symbol "BBGA".

received aluminum scrap. Documents drawn up in accordance with the aforementioned regulations are verified by the National Environmental Guard.

In 2025, ALRO published on The International EPD System, at the dedicate website www.envirodec.com, the Environmental Product Declaration (EPD) for two ALRO products (Aluminium Wire and Aluminium Hard Plate 7xxx). These are valid until 20.01.2030. They are based on the related LCA (Life Cycle Assessment) and the data in the EPDs have been validated by an external verifier.

In 2025, ALRO prepared 2 CBAM reports in accordance with Regulation (EU) 2023/956 establishing a Carbon Border Adjustment Mechanism to the European Commission, which led to imports of pre-alloys from non-EU countries.

At the same time, during 2025, ALRO provided its customers with Scope 1 and Scope 2 emissions, calculated in accordance with Regulation (EU) 2023/956 establishing a Carbon Border Adjustment Mechanism to the European Commission, resulting from the sale of products delivered outside the EU and returned processed in the EU. In addition, in 2025, ALRO provided its customers with GHG Intensity values, which are based on data validated by external verifiers for process emissions.

In 2025, ALRO calculated, for the first time, the CCF (Carbon Corporate Footprint) for the year 2024.

ALRO complied with environmental legislation by requesting an annual visa pursuant to art. 16 para. (2⁴) and (2⁵) of Government Emergency Ordinance no. 195/2005 for environmental protection, approved with amendments and completions by Law no. 265/2006, as subsequently amended.

In the first 6 months of 2025, a total of 96 inspections were carried out by the Commissioners of the National Environmental Guard - Olt County Commissariat within the ALRO Primary and ALRO Processed, all of which were completed without contraventions and sanctions.

During the same period, a mixed control was carried out by ISU Olt, GNM - CJ Olt and APM Olt, about ALRO's compliance with the SEVESO III Directive, which was completed without contraventions and sanctions.

Exchange rates and LME 3M

H1 2025

Average USD per RON 4.5801
End of period USD per RON 4.3329
Average EUR per RON 5.0045
End of period EUR per RON 5.0777

LME 3 month-quotation average in H1 2025: 2,545 USD/tonne

H1 2024

Average USD per RON 4.6010
End of period USD per RON 4.6489
Average EUR per RON 4.9742
End of period EUR per RON 4.9771

LME 3 month-quotation average in H1 2024: 2,400 USD/tonne.

Outlook for 2025 onwards

In summary, the aluminium market in the first half of 2025 has been defined by tightening supply fundamentals, historically low inventories, and supportive prices in the USD 2,500–2,600/t range. Despite subdued demand from construction and general manufacturing, robust consumption in green energy, aerospace, and EV sectors continues to underpin the market.

Looking ahead to the second half of 2025, the aluminium industry faces a critical juncture. The key factors to monitor will include:

- The pace and scale of **interest rate cuts** in Europe and the U.S., which could stimulate broader industrial demand.
- Resolution or escalation of **trade disputes and tariffs**, particularly involving Chinese exports but also in relation with the EU. After President Trump threatened, in early July, with increasing the tariffs for EU and Mexico to 30% starting August 1st, the US President and European Commission President Ursula von der Leyen met towards the end of July and agreed a US tariff on all EU goods of 15%, except for steel and aluminum. Unfortunately, the Section 232-based 50% tariff on EU-produced aluminum continues unchanged at present. There are, however, proposals from the EU side to replace it with a quota-based system, discussions are still ongoing. As for the US and China, the two countries wrapped up several rounds of trade talks until now, without any major breakthroughs
- The trajectory of **alumina prices** and the resulting impact on global smelter output.
- The potential replenishment—or further depletion—of LME warehouse inventories.

With these dynamics in play, aluminium prices are expected to remain relatively well-supported, with the likelihood of increased volatility as the market navigates both macroeconomic risks and structural supply limitations. Overall, the medium-term outlook remains cautiously optimistic for aluminium producers, particularly those well-positioned to supply growing sectors like renewable energy, EVs, aerospace and defense trend.

CBAM Legislation

In the 2nd semester of 2025, ALRO will continue to prepare the 2 CBAM reports in accordance with Regulation (EU) 2023/956 establishing a Carbon Border Adjustment Mechanism to the European Commission and Memorandum to COM(2025)87 - Amendment of Regulation (EU) 2023/956 as regards simplifying and strengthening the carbon border adjustment mechanism, which resulted in imports of pre-alloys from non-EU countries.

Furthermore, in the second half of 2025, ALRO will provide its customers the Scope 1 and Scope 2 emissions, calculated in accordance with Regulation (EU) 2023/956 establishing a Carbon Border Adjustment Mechanism, to the European Commission, resulting from the sale of products delivered outside the EU and returned processed in the EU, already having its own energy label.

In 2025, the Company remains faithful to its sustainable development strategy, therefore, ALRO's Investment Program will include investments absolutely necessary to ensure the capacity and technical conditions useful for supporting ALRO's strategy of increasing value-added production and reducing the carbon footprint of its technological activities and the dependence on the electricity supply of technological processes, by continuously decreasing energy consumption, as well as to increase the reliability of critical production equipment.

The Group's management is closely monitoring the evolution of the current context in order to take all necessary measures to adapt and improve its performance in real time, while keeping investors and the interested public informed of the latest developments in its activity."

2025 Financial Calendar

EVENT	DATE
Trading Update Q4 2024	23 January 2025
Publication of 2024 Preliminary Annual Financial Results	28 February 2025
Conference Call for 2024 Annual Results proposed for shareholders' approval	28 March 2025
Trading Update Q1 2025	22 April 2025
Annual General Shareholders Meeting ("GSM") for the approval of 2024 results	29 April 2025
Publication of the Annual Report as at 31 December 2024	29 April 2025
Publication of the Quarterly Report for the first quarter of 2025 i.e. 1 January - 31 March 2025 ("Quarter I 2025")	14 May 2025
Quarter I 2025 Results Conference Call	16 May 2025
Trading Update Q2 2025	18 July 2025
Publication of the Half-Year Report for the six-month period ending 30 June 2025 i.e. 1 January - 30 June 2025 ("2025 Half-Year")	12 August 2025
2025 Half-Year Results Conference Call	14 August 2025
Trading Update Q3 2025	21 October 2025
Publication of the Quarterly Report for the third quarter 2025 i.e. 1 January - 30 September 2025 ("Quarter III 2025")	13 November 2025
Quarter III 2025 Results Conference Call	14 November 2025

Contact details

For further information, please contact:
 Vimetco Management Romania SRL
 Address: 64 Splaiul Unirii St., 040036, Bucharest

Tel: +40 21 408 35 00
 Fax: +40 21 408 35 89
 E-mail: investor.relations@alro.ro

Abbreviations and definitions used in this report

ANRE	The National Authority for Energy Regulations (Autoritatea Nationala de Reglementare in domeniul Energiei)
ASI	Aluminium Stewardship Initiative
ATS	Alternative trading system on BSE
BAT	Best Available Techniques
BR	Bauxite Residue
BSE	Bucharest Stock Exchange
CAFR	Chamber of Financial Auditors of Romania (Camera Auditorilor Financiari din Romania)
CBAM	Carbon Border Adjustment Mechanism
CfD	Contracts for Difference
CME	Chicago Mercantile Exchange
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation, amortization and impairment
ECB	European Central Bank
EGSM	Extraordinary General Shareholders Meeting
EIU	Energy-intensive users
EO	Emergency Ordinance
EU ETS	European Union's Emissions Trading System
EUID	The European Unique Identifier
FED	Federal Reserve
FRP	Flat Rolled Product
FSA	Financial Supervisory Authority, Romania
GD	Government Decision
GHG	Greenhouse gas emissions
GSM	General Shareholders Meeting
H1/H2	Half-year
HVAPs	High value added products
IAI	International Aluminium Association
IATF	International Automotive Task Force
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
ISO	International Organization for Standardization
LEI code	Legal Entity Identifier
LME	Refers to LME 3 months (LME-London Metal Exchange)
MACEE	The Centralized energy acquisition mechanism (Mecanismul de achizitie centralizata de energie electrica)
NADCAP	National Aerospace and Defense Contractor Accrediation Program of Performance Review Institute
OEM	Original Equipment Manufacturer
OGSM	Ordinary General Shareholders Meeting
OPCOM	The Operator of Energy and Gas Market (Operatorul Pietei de Energie Electrica si de Gaze Naturale "Opcom" SA)
PCB	Printed circuit board
PMI	A purchasing managers index
PPA	Power Purchase Agreement
Q1/Q2/Q3/Q4	Quarter 1/Quarter 2/Quarter 3/Quarter 4
RTA	Rio Tinto Aluminium Pechiney
SMM	Shanghai Metals Market
SRPS	Repair and Spare Parts Section
TPA	Tonnes per annum
U.K.	United Kingdom
U.S.	United States of America
VAT	Value Added Tax
VHVAPs	Very high value added products

**Interim condensed consolidated and separate financial
statements for the six months ended 30 June 2025 (unaudited)**

Alro S.A. and its subsidiaries



Interim consolidated and separate statement of profit or loss and other comprehensive income for the six months ended 30 June 2025 - unaudited

in RON '000,
except stated otherwise

	Note	Alro Group		Alro	
		Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Revenue from contracts with customers	5	2,009,026	1,697,071	1,887,245	1,581,926
Cost of goods sold		-1,931,070	-1,618,089	-1,829,561	-1,534,182
Gross result		77,956	78,982	57,684	47,744
General, administrative and selling expenses	7	-186,713	-149,164	-163,794	-122,456
Impairment of investments in subsidiaries		-	-	-399	-242
Other operating income	8	160,583	230,596	160,742	205,550
Other operating expenses	9	-15,379	-21,387	-7,030	-8,529
Operating result (EBIT)		36,447	139,027	47,203	122,067
Interest expenses	10	-59,156	-60,906	-57,682	-59,923
Other financial income		6,387	3,374	6,242	2,789
Other financial costs		-16,856	-17,102	-16,172	-16,134
Net foreign exchange (losses) / gains		69,483	-20,120	69,376	-20,169
Share of result of associates		1,445	-124	1,445	-124
Result before income taxes		37,750	44,149	50,412	28,506
Income tax	11	-20,677	-35,702	-16,873	-30,559
Result for the period		17,073	8,447	33,539	-2,053
Other comprehensive income / (expense), net of tax:		-	-	-	-
Total comprehensive income / (expense) for the period		17,073	8,447	33,539	-2,053
Result attributable to:					
Shareholders of Alro S.A.		17,118	8,422	33,539	-2,053
Non-controlling interest		-45	25	-	-
		17,073	8,447		
Total comprehensive income / (expense) attributable to:					
Shareholders of Alro S.A.		17,118	8,422	33,539	-2,053
Non-controlling interest		-45	25	-	-
		17,073	8,447		
Earnings / (losses) per share					
Basic and diluted (RON)	12	0.024	0.012	0.047	-0.003

The accompanying notes are an integral part of these interim consolidated and separate financial statements. These financial statements were authorized for issue by the Board of Directors on 12 August 2025.

Interim consolidated and separate statement of financial position as at 30 June 2025 - unaudited

in RON '000

	Note	Alro Group		Alro	
		30 June 2025	31 December 2024	30 June 2025	31 December 2024
Assets					
Non-current assets					
Property, plant and equipment	13	914,779	919,667	733,672	732,266
Investment properties		526	541	3,467	3,705
Intangible assets		3,261	3,386	2,558	3,001
Investments in subsidiaries	14	-	-	143,868	144,178
Equity accounted investments	14	217,664	216,202	217,648	216,202
Goodwill		15,834	15,834	-	-
Right-of-use assets		9,949	6,945	7,342	5,438
Deferred tax asset	11	78,863	90,851	74,611	86,564
Other non-current financial assets		185,684	184,612	183,080	182,214
Total non-current assets		1,426,560	1,438,038	1,366,246	1,373,568
Current assets					
Inventories	16	832,017	877,180	676,282	705,678
Trade receivables, net		105,765	79,302	132,381	86,076
Current income tax receivable		224	229	-	-
Other current financial assets	17	500,105	378,396	462,030	351,789
Other current non-financial assets		47,188	43,151	85,912	83,274
Restricted cash	18	75	55	-	-
Cash and cash equivalents	18	307,458	431,303	289,534	423,320
Total current assets		1,792,832	1,809,616	1,646,139	1,650,137
Total assets		3,219,392	3,247,654	3,012,385	3,023,705
Shareholders' Equity and Liabilities					
Shareholders' equity					
Share capital		370,037	370,037	370,037	370,037
Share premium		86,351	86,351	86,351	86,351
Other reserves		376,103	376,103	306,191	306,191
Retained earnings		177,540	167,216	119,322	104,001
Result for the period		17,118	10,324	33,539	15,321
Equity attributable to shareholders of Alro S.A.		1,027,149	1,010,031	915,440	881,901
Non-controlling interest		463	508	-	-
Total shareholders' equity		1,027,612	1,010,539	915,440	881,901
Non-current liabilities					
Bank and other loans, non-current	19	1,323,224	1,452,321	1,323,224	1,441,947
Leases, non-current	19	6,143	3,853	4,851	3,495
Provisions, non-current		26,821	26,057	2,966	2,901
Post-employment benefit obligations		28,587	28,275	26,998	26,686
Government grants, non-current portion		31,603	33,294	21,084	22,125
Other non-current financial liabilities		4,820	7,521	697	724
Total non-current liabilities		1,421,198	1,551,321	1,379,820	1,497,878
Current liabilities					
Bank and other loans, current	19	178,529	96,069	165,328	83,848
Leases, current	19	3,033	2,400	2,413	1,995
Provisions, current		16,125	28,796	15,072	28,257
Trade and other payables	20	489,443	443,242	464,487	428,521
Contract liabilities	5	14,607	39,161	14,219	38,609
Current income taxes payable		5,127	8,486	1,662	6,553
Government grants, current portion		4,752	4,752	3,454	3,454
Other current liabilities		58,966	62,888	50,490	52,689
Total current liabilities		770,582	685,794	717,125	643,926
Total liabilities		2,191,780	2,237,115	2,096,945	2,141,804
Total shareholders' equity and liabilities		3,219,392	3,247,654	3,012,385	3,023,705

The accompanying notes are an integral part of these consolidated and separate financial statements.
These financial statements were authorized for issue by the Board of Directors on 12 August 2025

Interim consolidated statement of changes in shareholders' equity for the six months ended 30 June 2025 ALRO Group - unaudited

	Share capital	Share premium	Other reserves
Balance at 1 January 2024	370,037	86,351	375,866
Result for the period	-	-	-
Other comprehensive income / (expense)	-	-	-
Total comprehensive income / (expense)	-	-	-
Appropriation of prior year result	-	-	302
Balance at 30 June 2024	370,037	86,351	376,168
Balance at 1 January 2025	370,037	86,351	376,103
Result for the period	-	-	-
Other comprehensive expense	-	-	-
Total comprehensive (expense) / income	-	-	-
Appropriation of prior year result	-	-	-
Balance at 30 June 2025	370,037	86,351	376,103

The accompanying notes are an integral part of these consolidated and separate financial statements.

These financial statements were authorized for issue by the Board of Directors on 12 August 2025.

in RON '000

Retained earnings	Result for the period	Attributable to shareholders of Alro S.A.	Non-controlling interests	Total shareholders' equity
730,129	-560,264	1,002,119	494	1,002,613
-	8,422	8,422	25	8,447
-	-	-	-	-
-	8,422	8,422	25	8,447
-560,566	560,264	-	-	-
169,563	8,422	1,010,541	519	1,011,060
167,216	10,324	1,010,031	508	1,010,539
-	17,118	17,118	-45	17,073
-	-	-	-	-
-	17,118	17,118	-45	17,073
10,324	-10,324	-	-	-
177,540	17,118	1,027,149	463	1,027,612

The accompanying notes are an integral part of these consolidated and separate financial statements.

These financial statements were authorized for issue by the Board of Directors on 12 August 2025.

Interim separate statement of changes in shareholders' equity for the six months ended 30 June 2025 Alro - unaudited

	Share capital
Balance at 1 January 2024	370,037
Result for the period	-
Other comprehensive (expense)	-
Total comprehensive income / (expense)	-
Appropriation of prior year result	-
Balance at 30 June 2024	370,037
Balance at 1 January 2025	370,037
Result for the period	-
Other comprehensive (expense)	-
Total comprehensive (expense)/income	-
Appropriation of prior year result	-
Balance at 30 June 2025	370,037

The accompanying notes are an integral part of these consolidated and separate financial statements.

These financial statements were authorized for issue by the Board of Directors on 12 August 2025.

in RON '000

Share premium	Other reserves	Retained earnings	Result for the period	Total
86,351	306,191	645,897	-539,116	869,360
-	-	-	-2,053	-2,053
-	-	-	-	-
-	-	-	-2,053	-2,053
-	-	-539,116	539,116	-
86,351	306,191	106,781	-2,053	867,307
86,351	306,191	104,001	15,321	881,901
-	-	-	33,539	33,539
-	-	-	-	-
-	-	-	33,539	33,539
-	-	15,321	-15,321	-
86,351	306,191	119,322	33,539	915,440

The accompanying notes are an integral part of these consolidated and separate financial statements.

These financial statements were authorized for issue by the Board of Directors on 12 August 2025.

Interim consolidated and separate statement of cash flows for the six months ended 30 June 2025 - unaudited

in RON '000

	Note	Alro Group		Alro	
		Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Cash flow from operating activities					
Result before income taxes		37,750	44,149	50,412	28,506
<i>Adjustments for:</i>					
Depreciation and amortisation		58,795	62,335	48,124	50,657
Impairment of investments in subsidiaries		-	-	399	242
Movement in provisions		-12,671	-3,315	-13,185	-1,355
Change in allowance for impairment of inventory	16	7,073	-67,088	7,073	-65,001
Change in allowance for expected credit losses of trade receivables	7	-132	-121	-20	188
Losses/(gains) on disposal of property, plant and equipment		660	826	27	388
Share of result of associates		-1,446	124	-1,446	124
Net foreign exchange (gains)/ losses on loans revaluation		-56,459	19,993	-56,466	19,904
Interest income		-6,371	-3,145	-6,226	-2,774
Interest expense	10	59,156	60,906	57,682	59,923
Dividend income		-16	-15	-16	-15
<i>Changes in working capital:</i>					
Change in inventories		38,202	160,313	22,446	114,427
Change in trade receivables and other assets		-180,199	-200,302	-187,223	-174,823
Change in trade and other payables		16,567	144,896	11,542	175,725
Income taxes paid		13,499	-15,647	15,731	-13,970
Interest paid		-46,920	-59,573	-46,145	-59,291
Net cash generated from / (used in) operating activities		-72,512	144,336	-97,291	132,855
Cash flow from investing activities					
Purchase of property, plant and equipment and intangible assets, net		-59,962	-69,208	-53,147	-38,516
Government grants received		723	-	723	-
Proceeds from sale of property, plant and equipment		394	631	-	-
Acquisition of subsidiary	14	-	-	-89	-
Acquisition of associates	14	-18	-	-	-
Dividends received		16	15	16	15
Change in restricted cash		-21	19,760	-	-
Interest received		6,226	2,774	6,226	2,774
Net cash used in investing activities		-52,642	-46,028	-46,271	-35,727
Cash flow from financing activities					
Proceeds from loans		65,506	961	64,158	961
Repayment of loans and leases		-64,197	-145,898	-54,382	-143,850
Net cash from / (used in) financing activities		1,309	-144,937	9,776	-142,889
Net change in cash and cash equivalents		-123,845	-46,629	-133,786	-45,761
Cash and cash equivalents at beginning of period		431,303	206,126	423,320	160,281
Cash and cash equivalents at end of period	18	307,458	159,497	289,534	114,520

The accompanying notes are an integral part of these consolidated and separate financial statements. These financial statements were authorized for issue by the Board of Directors on 12 August 2025.

Notes to the consolidated and separate financial statements (unaudited)

in RON '000, except stated otherwise

1. Organisation and nature of business

Alro S.A. (*the Company or the Parent Company*) is a joint stock company that was established in 1961 in Romania, and is one of the largest vertically integrated aluminium producers in Europe, by production capacity. The shares of Alro S.A. are traded on the Bucharest Stock Exchange under the symbol ALR.

The Company's administrative and managerial offices are located in Romania, with the headquarters in 116, Pitesti Street, Slatina, Olt County.

The majority shareholder of Alro S.A. is Vimetco PLC, a private limited liability company registered under the laws of Cyprus, based in Navarinou 18, Navarino Business Centre, Agios Andreas, 1100, Nicosia, Cyprus. The company is ultimately controlled by Maxon Limited (Bermuda).

Alro S.A. and its subsidiaries (collectively referred to as the Group) form a vertically integrated producer of primary and processed aluminium products: Alro casts aluminium into primary products that are sold or processed as higher value added products (flat rolled or extruded) within Alro or Vimetco Extrusion facilities. The Group has its customers primarily in Central and Eastern Europe. Due to the high power and natural gas prices, currently Alro works with 2 out of 5 of its electrolysis potrooms. Since August 2022 Alum has not produced alumina by itself, as the production was temporarily ceased, instead, it bought alumina from the market, at better prices and resold it to Alro and, subsequently becoming Alro's purchasing agent starting March 2024. In September 2023, Alro started investing in the electricity business by forming a partnership with CCGT Power Isalnita S.A. ("CCGT Power"), where it holds a 40.1% interest. In February 2025, the Group's subsidiary, Alum S.A., contributed to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET") where it holds a 20% interest and in June 2025, Alro, contributed to the establishment of a joint-stock company named Stocare Energie Slatina S.A. ("SES") where it holds a 99% interest (see Note 14 for details).

These interim condensed consolidated and separate financial statements were authorised for issue by the Board of Directors on 12 August 2025.

2. Basis of preparation

Statement of compliance

These interim condensed consolidated and separate financial statements of Alro and its subsidiaries (further named Condensed financial statements) for the 6 months ended 30 June 2025 are unaudited and have been prepared in accordance with *IAS 34 Interim financial reporting* as adopted by the European Union (EU). The accounting policies are in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, for the approval of the Accounting regulation ("OMFP 2844/2016") in accordance with the International Financial Reporting Standards (IFRS Accounting standards) applicable to the companies whose real shares are accepted for transaction on a regulated market*.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group and the Company since the last annual consolidated and separate financial statements as at and for the year ended 31 December 2024. These interim condensed consolidated and separate financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Group and the Company for the year ended 31 December 2024.

The financial statements of Alro Group are available in hard copy at the Parent Company's premises, upon request. They are also available on the website of the Parent Company www.alro.ro within the applicable legal time frame.

*Order no. 2844/2016, with subsequent amendments, is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense.

Basis of preparation

The financial statements have been prepared on the historical cost basis except for the financial instruments that are measured at fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

Going concern

These interim condensed consolidated and separate financial statements have been prepared on a going concern basis, which assumes the Group and the Company will be able to realize their assets and discharge their liabilities in the normal course of business.

Functional and presentation currency

The functional currency of the Parent Company is the Romanian leu (RON). For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency and translated in the presentation currency.

The rates applied in translating foreign currencies to RON were as follows:

	30 June 2025	31 December 2024
USD exchange rate at the end of the period**	4.3329 USD/RON	4.7768 USD/RON
	Six months ended 30 June 2025	Six months ended 30 June 2024
USD average exchange rate***	4.5801 USD/RON	4.6010 USD/RON

**) as communicated by the National Bank of Romania

***) computed as an average of the daily exchange rates communicated by the National Bank of Romania

These financial statements are presented in RON thousand, rounded to the nearest unit.

3. Application of the new and revised international financial reporting standards

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's and the Company's annual consolidated and separate financial statements for the year ended 31 December 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Standards and interpretations effective in 2025 that the Group and the Company have applied to these financial statements:

The Group and the Company have adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2025:

- *IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*. The amendments are effective for annual reporting periods beginning on or after 1 January 2025, with earlier application permitted. The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. A currency is considered to be exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations. If a currency is not exchangeable into another currency, an entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity can use an observable exchange rate without adjustment or another estimation technique. The adoption of the standard had no effect on the Group and the Company.

Standards issued in 2025, but not yet effective and not early adopted

There were no new standards or amendments to existing standards issued in 2025.

4. Estimates

The preparation of interim condensed consolidated financial statements requires the Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The actual results may differ from these estimates.

In preparing these interim condensed consolidated and separate financial statements, the significant judgements made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2024.

5. Revenue from contracts with customers

Set out below is the disaggregation of the Group's revenue from contracts with customers, including intra-group sales:

Segments	Six months ended 30 June 2025				
	Alumina	Primary aluminium	Processed aluminium	Others	Total
Type of good or service					
Sale of alumina	2,237	-	-	-	2,237
Sale of primary aluminium	-	857,456	-	-	857,456
Sale of processed aluminium	-	-	1,364,654	-	1,364,654
Other revenues and services performed	1,462	-	256	12,398	14,116
Total revenue from contracts with customers	3,699	857,456	1,364,910	12,398	2,238,463

Segments	Six months ended 30 June 2024				
	Alumina	Primary aluminium	Processed aluminium	Others	Total
Type of good or service					
Sale of alumina	57,805	-	-	-	57,805
Sale of primary aluminium	-	707,319	-	-	707,319
Sale of processed aluminium	-	-	1,158,150	-	1,158,150
Other revenues and services performed	4,095	-	325	7,935	12,355
Total revenue from contracts with customers	61,900	707,319	1,158,475	7,935	1,935,629

During H1 2025, the Group's revenue increased, driven primarily by the Processed Aluminium segment, where demand rose for high-margin products such as plates and extruded items, further supported by the upward trend in LME prices. The revenue of the Alumina segment, including intra-group sales, declined compared to the first six months of 2024, as the plant became a sales agent starting March 2024 and only invoiced Alro a commission for intermediated transactions since then.

Set out below, is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information in Note 6:

Revenue	Six months ended 30 June 2025				
	Alumina	Primary aluminium	Processed aluminium	Others	Total
Revenue from contracts with customers	3,699	857,456	1,364,910	12,398	2,238,463
Inter-segment transactions	-	-220,970	-1,683	-6,784	-229,437
Total Group revenue (Note 6)	3,699	636,486	1,363,227	5,614	2,009,026

Revenue	Six months ended 30 June 2024				
	Alumina	Primary aluminium	Processed aluminium	Others	Total
Revenue from contracts with customers	61,900	707,319	1,158,475	7,935	1,935,629
Inter-segment transactions	-50,765	-180,675	-1,450	-5,668	-238,558
Total Group revenue (Note 6)	11,135	526,644	1,157,025	2,267	1,697,071

Transactions between operating segments are based on transfer prices that are set in a manner similar to transactions with third parties. For the way the Group monitors the performance of its segments, please see Note 6.

Contract liabilities

During the first six months of 2025, the Group and the Company recognized the amount of RON 38,747 thousand and RON 38,249 thousand, respectively, from the existing balance at 31 December 2024 under *Contract liabilities* as revenue from performance obligations satisfied (RON 39,161 thousand at the Group level and RON 38,609 thousand at the Company level, balance as of 31 December 2024). The balance of RON 14,607 thousand and RON 14,219 thousand, respectively, existing at 30 June 2025 under *Contract liabilities* will be recognized from performance obligations that will be satisfied subsequently.

6. Segment information

For management purposes, the Group is organized on a vertically integrated basis into three segments: alumina, primary aluminium and processed aluminium. For the purpose of resource allocation and assessment of segment performance the segments are the basis on which the Group reports its segment information to the chief operating decision maker. The alumina segment located in Tulcea, Romania, has its alumina production temporarily suspended since August 2022 and replaced with alumina purchased from the market for the Group needs, subsequently becoming Alro's purchasing agent starting March 2024. The Primary aluminium division manufactures primary aluminium products like wire rod, slabs, billets and ingots. Most of the slabs are used in the Processed aluminium segment to manufacture flat rolled products, such as sheets, plates, coils that are further sold to external clients. The Primary aluminium segment include also some sales of aluminium finished products (such as billets and wire rod to group and external companies), which are processed out of the metal brought in by the client, and for which revenue is recognized only at the level of a processing fee. Additionally, the Processed segment of the Group includes the extrusion plant in Slatina, which makes extruded aluminium products out of the billets mostly acquired from the Parent company. Both the Primary and Processed aluminium divisions are located in Slatina, Romania. No operating segments have been aggregated to form the above reportable operating segments.

Segment revenues and expenses are directly attributable to the segments; joint expenses are allocated to the business segments on a reasonable basis. The income, expenses and result per segments include the transfers between business segments.

In order to have a better visibility on the operational and financial performance of the Group segments, to be able to benefit from its synergies as an integrated group, the Management monitors the segments results whereby the inter-segment transactions are reported at their cost. For the purpose of this note, the inter-segment transfers of the alumina segment, represented by deliveries of raw material, and also the transfers of the aluminium segments, consisting of slabs transferred by Alro to its own processing division and billets transferred to the Vimetco Extrusion extruding plant, are reflected at their complete cost, regardless of the fact whether they are within the same entity or not.

The management monitors interest income and expense on a net basis.

Alro Group revenues and results for the six months ended 30 June 2025 and 2024 by segment, were as follows:

	Alumina	Primary aluminium	Processed aluminium	Others	Inter-segment operations	Total
Six months ended 30 June 2025						
Sales to external customers	3,699	636,486	1,363,227	5,614	-	2,009,026
Inter-segment transfers	-	1,065,551	1,683	6,784	-1,074,018	-
Total sales revenues	3,699	1,702,037	1,364,910	12,398	-1,074,018	2,009,026
Segment results (gross profit)	1,584	8,701	59,368	5,846	2,457	77,956
Other operating income and expenses, net	-8,744	-20,893	-21,257	11,924	-2,539	-41,509
Operating result (EBIT)	-7,160	-12,192	38,111	17,770	-82	36,447
Total depreciation, amortisation and impairment	2,417	33,270	23,976	447	-1,315	58,795
EBITDA	-4,743	21,078	62,087	18,217	-1,397	95,242
Interest and other finance costs, net						-68,180
Net foreign exchange gains / (losses)						69,483
Result before income taxes						37,750
Six months ended 30 June 2024						
Sales to external customers	11,135	526,644	1,157,025	2,267	-	1,697,071
Inter-segment transfers	46,147	887,240	1,450	5,668	-940,505	-
Total sales revenues	57,282	1,413,884	1,158,475	7,935	-940,505	1,697,071
Segment results (gross profit)	1,256	-26,613	98,368	2,996	2,975	78,982
Other operating income and expenses, net	-20,339	-1,302	39,277	43,365	-956	60,045
Operating result (EBIT)	-19,083	-27,915	137,645	46,361	2,019	139,027
Total depreciation, amortisation and impairment	3,813	34,690	24,714	276	-1,158	62,335
EBITDA	-15,270	6,775	162,359	46,637	861	201,362
Interest and other finance costs, net						-74,758
Net foreign exchange gains / (losses)						-20,120
Result before income taxes						44,149

In the first half of 2025, the processed aluminium segment recorded solid sales growth, supported by both the increase in LME prices (up by 145 USD/tonne) and the Group's strategy to raise the share of processed products in its portfolio. By optimizing its sales and production mix for greater efficiency, the Group achieved a 9% increase in the sales volume of processed aluminium products. At the same time, sales of primary aluminium products also grew by around 8%, with more scrap used internally to support the expansion of higher value-added production. However, compared to the same period of the previous year, this was not reflected in a higher gross result, which was significantly affected by the continued global increase in the costs of raw materials, electricity, and natural gas. In the category *Other operating income and expenses, net*, the Group recognized an accrual of RON 150,000 thousand for the compensation of energy costs recorded in the first semester of 2025, based on the EU Emissions Trading Scheme (ETS) (in the first semester of 2024: RON 182,935 thousand). The compensation is allocated to the primary aluminum and processed aluminum segments based on the electricity costs incurred directly and indirectly, through the raw materials produced by one segment and transferred to another segment, such as aluminum metal.

Segment assets include all operating assets used by a segment and consist principally of operating cash, receivables, inventories, property, plant and equipment and intangible assets, net of allowances for impairment. While most of such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities include all operating liabilities and consist principally of trade payables, wages and taxes payable and accrued liabilities. Segment assets and liabilities do not include deferred income taxes, borrowings, financial liabilities and other un-allocatable items.

Segment assets and liabilities at 30 June 2025 and 31 December 2024, respectively, were as follows:

Alro Group	Alumina	Primary aluminium	Processed aluminium	Others	Inter-segment balances	Total
30 June 2025						
Total assets	172,728	1,206,243	1,122,680	983,589	-265,848	3,219,392
Total liabilities	78,113	478,675	234,107	1,534,325	-133,440	2,191,780
31 December 2024						
Total assets	179,387	1,071,195	1,064,250	1,162,901	-230,079	3,247,654
Total liabilities	77,012	473,714	205,042	1,572,853	-91,506	2,237,115

As at 30 June 2025, the total assets representing *Others* include mainly the Company's investments in subsidiaries and associates of RON 361,516 thousand (as at 31 December 2024: RON 360,380 thousand), cash and restricted cash of RON 472,614 thousand (as at 31 December 2024: RON 605,534 thousand), administrative buildings of RON 38,654 thousand (as at 31 December 2024: RON 39,858 thousand), deferred tax asset of RON 74,611 thousand (as at 31 December 2024: RON 86,564 thousand) and derivative financial instruments, when applicable.

As at 30 June 2025, the total liabilities representing *Others* include mainly Company's borrowings and leases of RON 1,495,816 thousand (as at 31 December 2024: RON 1,531,285 thousand), post-employment benefit obligations and provisions of RON 38,509 thousand (as at 31 December 2024: RON 57,844 thousand), and, when applicable, dividends.

Inter-segment operations include intercompany elimination.

7. General, administrative and selling expenses

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Staff costs	-79,987	-62,383	-55,709	-43,632
Third party services	-36,014	-31,438	-49,587	-36,823
Consulting and audit	-23,127	-18,673	-18,006	-13,475
Consumables	-4,071	-5,408	-3,864	-5,110
Taxes other than income taxes	-17,185	-5,371	-16,545	-4,833
Depreciation and amortisation	-2,979	-2,657	-2,313	-2,043
Insurance	-5,901	-5,021	-4,707	-3,920
Marketing and public relations	-2,797	-2,403	-2,008	-1,721
Travelling	-2,504	-1,381	-655	-340
Research and development costs	-8,416	-10,510	-7,522	-7,380
Other	-3,864	-4,040	-2,898	-2,991
Change in allowance for expected credit losses of trade receivables	132	121	20	-188
Total	-186,713	-149,164	-163,794	-122,456

During the 6 months ended 30 June 2025, the category *Staff costs* increased compared to the same period of previous year, mainly due to salary increases as a result of the negotiations of the Collective Labour Contract and due to bonuses for good performance granted by Parent company for the results it obtained during the period.

Effective 1 January 2024, Law No. 296/2023 came into force, requiring legal entities carrying out activities in the oil and natural gas sectors – as defined by the NACE codes set out in Order of the Ministry of Finance (OMF) No. 5433/2023, as supplemented by Law No. 290/2024 – to pay an additional turnover tax of 0.5%, calculated based on a specific formula provided by the legislation. This obligation applies throughout 2025, without the previously applicable condition of a minimum turnover of EUR 50,000,000. In the first six months of 2025, the Parent Company calculated this specific turnover tax and recognized an expense of RON 10,370 thousand, which was included under *Taxes other than income taxes* (in 2024: nil).

8. Other operating income

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Rental income	1,541	1,562	1,895	1,921
Government grants	152,545	185,104	151,896	183,757
Income from sale of emission rights	-	30,094	-	9,071
Income from unused provision reversals	-	3,358	-	3,358
Income from claims and penalties	5,242	6,243	5,309	6,249
Other income	1,255	4,235	1,642	1,194
Total other operating income	160,583	230,596	160,742	205,550

During the 6-month period ended 30 June 2025, the Group recognized government grants of RON 150,000 thousand representing the compensation to which the Group is entitled for the high electricity costs incurred during the reporting period, based on EU Emissions Trading Scheme (ETS) (in the 6 months ended 30 June 2024: government grants of RON 182,935 thousand). In addition, the category *Government grants* includes an amount of RON 2,370 thousand at the Group level and RON 1,721 thousand at the Company level (in H1 2024: RON 2,133 thousand at the Group level and RON 1,721 thousand at the Company level) representing income recognized on government grants from EU funds received in the period 2013 - 2019 for the investment in equipment intended for the production activity, as well as for purchasing of equipments for research and development activities within the Group. The grants are recognized as income linearly during the useful life of the equipments for which they were received.

In the first semester of 2024, the Group and the Company sold CO₂ emission certificates of RON 30,094 thousand and RON 9,071 thousand, respectively, and included them under *Income from sale of emission rights*, the Group and the Company being in the position to have a surplus of emission certificates.

9. Other operating expenses

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Idle plants depreciation expenses	-7,766	-9,809	-6,425	-8,020
Alum non-productive costs	-5,581	-7,142	-	-
Other operating expenses	-2,032	-4,436	-605	-509
Total other operating expenses	-15,379	-21,387	-7,030	-8,529

Idle plants depreciation expenses represent the depreciation incurred by the Group on temporarily idled production facilities, mainly caused by the suspension of the operation of 3 electrolysis potrooms in Alro Slatina and the alumina plant in Tulcea in 2022.

The category *Non-productive costs* represents the costs recognized by the subsidiary Alum after the cessation of alumina production in August 2022.

10. Interest expenses

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Interest expense	-59,156	-60,906	-57,682	-59,923
Total	-59,156	-60,906	-57,682	-59,923

Interest expense in H1 2025 includes the amount of RON 8,918 thousand for the Group and the Company (in H1 2024: RON 6,736 thousand for the Group and RON 6,726 thousand for the Company) representing transaction costs on loans, which are recognized during the period as interest expense based on the effective interest rate method. The cash effectively paid as transaction costs in H1 2025 for loans was of RON 1,182 thousand for the Group and the Company and it is included in the Statement of cash flows under *Interest paid* (in H1 2024: RON 5,640 thousand for the Group and the Company).

11. Income tax

The main components of the income tax expense in the consolidated interim statement of profit or loss and comprehensive income are:

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Income tax				
Current income tax	-8,689	-20,327	-4,920	-16,229
Deferred income tax	-11,988	-15,375	-11,953	-14,330
Total income taxes	-20,677	-35,702	-16,873	-30,559

In the six months ended 30 June 2025, the *Current income tax* included an amount of RON 5,180 thousand, mainly payable by Parent Company, and an additional tax expense of RON 3,509 thousand recorded by Vimetco Extrusion, representing the minimum turnover tax (IMCA). Under Law no. 296/2023, enacted in 2024, companies with an annual turnover exceeding EUR 50 million are required to pay a minimum tax of 1% of turnover if the calculated profit-based income tax is lower than this amount.

Unlike in 2024, the Parent Company was no longer subject to the 1% minimum turnover tax (IMCA). Instead, it fell under the scope of the 0.5% Additional Turnover Tax (ICAS), applicable to entities operating in the oil and natural gas sectors. Accordingly, the Parent Company recorded an expense of RON 10,370 thousand in the first half of 2025, presented under *Taxes other than income taxes* within *General, administrative and selling expenses* (see Note 7).

During the first 6 months of 2025, the Group registered a reduction in deferred tax assets arisen from the capitalized tax losses, exceeding borrowing costs and from other deductible temporary differences. As a result, the total amount of deferred tax asset at the Group level decreased from RON 90,851 thousand as at 31 December 2024 to RON 78,863 thousand as at 30 June 2025.

12. Earnings / (losses) per share

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Net result attributable to the owners of the Entity	17,118	8,422	33,539	-2,053
Weighted average number of ordinary shares	713,779,135	713,779,135	713,779,135	713,779,135
Basic and diluted earnings / (losses) per share (RON/ share)	0.024	0.012	0.047	-0.003

Basic EPS is calculated by dividing the profit/loss for the reporting period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the reporting period.

Basic and diluted per share data are the same as there are no dilutive securities.

During the reporting period, no interim dividends were declared by the Group related to the 6 months ended 30 June 2025 (6 months ended 30 June 2024: nil).

At 30 June 2025, the Parent Company does not have outstanding dividends payable (31 December 2024: nil).

13. Property, plant and equipment

During the 6-month period ended 30 June 2025, the Group and the Company purchased property, plant and equipment amounting to RON 54,004 thousand at Group level and RON 47,794 thousand at Company level (during the 6 months ended 30 June 2024: RON 63,124 thousand at Group level and RON 32,747 thousand at Company level).

In the first semester of 2025, the Group continued to invest in its programs to increase energy efficiency, which include the reconditioning of electrolysis pots, by modernizing another 32 pots using the innovative AP12LE technology (during the first 6 months of 2024: 21 pots). AP12LE (Aluminium Pechiney 120 kA Low-Energy) represents a last generation technology developed by Rio Tinto Aluminium Pechiney. The objective of this project is to reduce the energy consumption of the electrolysis pots by approximately 300 kWh/ton of aluminum, while maintaining the production capacity. The program will continue in the following years until all pots are aligned with the new technology.

In the first 6 months of 2025 the Group commissioned the new electric furnace for aluminium alloy plates aging, following a total investment of RON 11,570 thousand. This advanced electric furnace will replace three gas-powered units, streamlining heat treatment operations in ALRO's Processed Aluminium Division, thus marking a significant step toward the Group's goal of becoming a more environmentally friendly producer, supplying low carbon aluminium, suitable for market requirements. The project will optimize the heat treatment process (artificial aging) by enhancing the equipment efficiency and ensuring a more precise control of temperature and other critical parameters. This will result in a more efficient output of top quality high added-value aluminium.

In H1 2025, the Group also commissioned part of the investment project initiated in 2023, specifically the acquisition of a double-sided conductivity scanner for aluminum plates, for which an amount of RON 4,416 thousand was incurred up to the reporting date. This asset represents one component of the project, with further related acquisitions to follow. The benefits derived from this investment are aligned with the Group's strategy to enhance operational safety and increase the share of high value-added production (particularly aerospace products) in the overall production mix.

Furthermore, the Group allocated resources to maintain and improve the equipment parameters, in order to increase the economic efficiency and reduce emissions, following the application of the best techniques available in the field.

Depreciation charge of PPE for the 6 months of 2025 was of RON 57,853 thousand at the Group level and RON 46,376 thousand at the Company level (during the 6 months ended 30 June 2024: RON 57,422 thousand at the Group level and RON 45,935 thousand at the Company level).

At 30 June 2025, the net book value of Property, plant and equipment pledged for securing the Group and Company's borrowings amounts to RON 709,493 thousand for Group and RON 661,684 thousand for Company (at 31 December 2024: RON 695,348 thousand at Group level and RON 646,070 thousand at Company level).

Impairment tests for property, plant and equipment

The Group and the Company perform their annual impairment test in the end of the financial year and when circumstances indicate that the carrying value may be impaired. As a result of the several factors, such as increasing prices and scarce availability of energy products and other raw materials with a negative impact on the production costs, a test of the property, plant and equipment of Alro and Alum was carried out as at 31 December 2024.

As at 30 June 2025, based on the analysis of both external and internal sources of information, there are no new indications of impairment beyond those already considered as at 31 December 2024. The conditions influencing aluminium prices, market demand, interest rates, and global economic factors have remained consistent and the internal performance of the subsidiaries within the Alro Group shows positive variances in gross profit, EBITDA, and operating results, thus not presenting significant concerns that would indicate a need for impairment testing. Given these conditions, an impairment test on the Group's property, plant, and equipment was not performed at 30 June 2025.

14. Investments in subsidiaries and associates

In February 2025, the Group's subsidiary, Alum S.A., contributed RON 18 thousand to the establishment of a joint-stock company named Stocare Energie Tulcea S.A. ("SET"), with a share capital of RON 90 thousand. SET is owned 80% by Vimetco Management Romania S.R.L. and 20% by Alum S.A., with its registered office in Tulcea.

In June 2025, the Parent Company, contributed RON 89 thousand to the establishment of a joint-stock company named Stocare Energie Slatina S.A., with a share capital of RON 90 thousand. The Company with its registered office in Slatina, is owned 99% by Alro S.A. and 1% by Conef S.A.

The two Companies were founded on the purpose of developing facilities for energy storage in batteries, and power plant units.

15. Financial instruments

Set out below, is an overview of financial assets and financial liabilities held by the Group as at 30 June 2025 and 31 December 2024.

Categories of financial instruments

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Financial assets				
At amortised cost				
Cash and bank balances	307,533	431,358	289,534	423,320
Receivables	774,885	631,363	761,549	609,132
Fair value through profit or loss (FVTPL)				
Designated as at FVTPL	16,669	10,947	15,942	10,947
Total financial assets	1,099,087	1,073,668	1,067,025	1,043,399
Financial liabilities				
Amortised cost:				
Trade and other payables	553,229	513,651	515,674	481,934
Non-current bank and other loans	1,329,367	1,456,174	1,328,075	1,445,442
Current bank and other loans	181,562	98,469	167,741	85,843
Total financial liabilities	2,064,158	2,068,294	2,011,490	2,013,219

As at 30 June 2025 the value of financial assets designated as at FVTPL, consisting of invoices awaiting to be discounted by the factoring agent, increased mainly due to the top-up of the factoring limits, in line with the Group's strategy to increase the sales of high value-added products.

Fair value of financial instruments

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets is determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair value of other financial assets and financial liabilities (excluding derivative instruments) is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.

Below is presented an analysis of financial instruments that are measured at fair value subsequent by initial recognition, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from valuation techniques containing inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group does not have level 3 financial instruments.

There were no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments.

The Management considers that the fair values of financial assets and financial liabilities recognised at amortised cost in the financial statements approximate their carrying amounts largely due to the short term maturities, low transaction costs of these instruments as of financial position date, and for the long-term borrowings due to the fact that the long term loans have variable interest and the bank margins are similar with those for the recently contracted bank loans.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and other receivables;
- Other current and non-current financial assets;
- Cash and cash equivalents;
- Trade and other payables;
- Borrowing and leases.

16. Inventories

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Raw and auxiliary materials	345,074	372,416	265,060	279,887
Work in progress	277,322	210,972	223,568	155,462
Finished goods	244,821	321,919	219,831	295,433
Less: allowance for obsolescence	-35,200	-28,127	-32,177	-25,104
Total	832,017	877,180	676,282	705,678

In the category *Raw and auxiliary materials* are included: at Alro, alumina, aluminium ingots and aluminium scrap purchased from the market and other raw and auxiliary materials needed for aluminium production and, at the Group level, also the bauxite on stock at Alum. The category *Finished goods* includes Alro's finished goods of aluminium and extruded products.

In H1 2025, the increase in demand, led to more orders for delivery, especially for processed products and aluminum wire rod, resulting in a decrease in the inventory of finished products at 30 June 2025 as compared to 31 December 2024, as presented above. At the same time the category *Work in progress* increased at 30 June 2025 versus the beginning of the year on background of aluminium's production increasing in H1 2025.

The value of inventories pledged for securing the Group's and the Company's borrowings amounts to RON 719,374 thousand for the Group and RON 676,282 thousand for the Company (at 31 December 2024: RON 762,385 for the Group and RON 705,873 thousand for the Company).

The movement in adjustments for the impairment of inventories is the following:

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Balance at beginning of the year	-28,127	-91,928	-25,104	-84,918
(Charge) to cost of goods sold	-7,073	-557	-7,073	-557
Reversal to cost of goods sold	-	67,645	-	65,558
Balance at end of the period	-35,200	-24,840	-32,177	-19,917

17. Other current financial assets

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Government grants receivable	452,382	302,382	450,000	300,000
VAT recoverable	40,056	42,735	5,675	20,070
Other current financial assets	7,788	33,403	6,355	31,722
Allowance for sundry doubtful debtors	-121	-124	-	-3
Total	500,105	378,396	462,030	351,789

Government grants receivable represent compensations for the high electricity prices resulting from the indirect emission costs under the EU Emission Trading Scheme (ETS). As per European and Romanian regulations, the Group is entitled to receive the aforesaid compensations for the electricity costs incurred during the production process. At 30 June 2025 the outstanding balance represents the compensation receivable for 2024 of RON 302,382 thousand at the Group level and RON 300,000 thousand at the Company level which is expected to be collected in 2025, and the compensation for 6 months 2025, of RON 150,000 thousand, recognized on an accrual basis at the Company level. For further details, please see also Note 8 *Other operating income*.

At 30 June 2025, the category *Other current financial assets* decreased compared to the beginning of the year, as the taxes due to the State Budget by the Group were offset with the turnover tax receivable outstanding as of 31 December 2024 amounting RON 25,542 thousand.

18. Cash and cash equivalents

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Cash at banks in RON	207,320	375,663	198,786	370,470
Cash at banks in other currencies	100,076	55,572	90,735	52,826
Petty cash and cash equivalents	62	68	13	24
Total	307,458	431,303	289,534	423,320

At 30 June 2025 and 31 December 2024, a great part of cash was held in current accounts opened with reputable private banks in Romania or with State owned banks.

A part of the Group's and of the Company bank accounts (RON 289,521 thousand as at 30 June 2025 and RON 423,296 thousand as at 31 December 2024) are pledged to guarantee the borrowings from banks.

19. Borrowings and leases

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Long-term borrowings				
Long-term bank loans	1,501,753	1,548,390	1,488,552	1,525,795
Less: Short-term portion of long-term bank loans	-178,529	-96,069	-165,328	-83,848
Bank loans, non-current	1,323,224	1,452,321	1,323,224	1,441,947
Leases, non-current	6,143	3,853	4,851	3,495
Total long-term borrowings and leases	1,329,367	1,456,174	1,328,075	1,445,442
Short-term borrowings				
Short-term portion of long-term bank loans	178,529	96,069	165,328	83,848
<i>Bank loans, current</i>	178,529	96,069	165,328	83,848
Short-term loans, total	178,529	96,069	165,328	83,848
Leases, current	3,033	2,400	2,413	1,995
Total short-term borrowings and leases	181,562	98,469	167,741	85,843
Total borrowings and leases	1,510,929	1,554,643	1,495,816	1,531,285

The bank borrowings of the Group and the Company will mature until 2031. Their related interest rates ranged between 4.28% for EUR and 9% for RON in 2025 (in 2024: between 4.60% for EUR and 8.97% for USD at Group level and between 5.18% for EUR and 8.97% for USD at Company level).

In December 2024, the Parent Company obtained a CAPEX loan of USD 40,000 thousand from a commercial bank. The loan has a 7-year maturity, including a 2-year grace period for installment payments. At 30 June 2025, in addition to the amount drawn down from this loan of RON 71,652 thousand (equivalent to USD 15,000 thousand) the Company fulfilled the conditions set out in the loan agreement for the second installment, so that in April 2025 it received the amount of RON 54,851 thousand (equivalent to USD 12,500 thousand).

At 30 June 2025, the Group had the amount of RON 45,983 thousand undrawn and available from the borrowing facilities contracted with the banks (at 31 December 2024: RON 37,996 thousand) and the amount of RON 130,046 thousand unutilized and available from the non-cash facilities for letters of credit and letters of guarantee totaling RON 343,987 thousand (at 31 December 2024: RON 99,613 thousand from a total of RON 357,304 thousand).

According to the existing borrowing agreements, the Group is subject to certain restrictive covenants. These covenants require the Group, among other things, to refrain from paying dividends to its shareholders unless certain conditions are met, and to maintain a minimum or maximum level for certain financial ratios, including: debt service coverage ratio, net debt to EBITDA, net debt to equity, current ratio, net financial debt to shareholders equity, solvency ratio, interest cover ratio and total net leverage ratio that have to be reported at 30 June and 31 December each year. At 30 June 2025, the Group and the Company did not meet certain financial covenants in respect of some of its loans. The situation was discussed with the banks, and all necessary waivers were obtained. However, as some waivers were received after the testing date but within the grace period agreed with the banks, the Group reclassified an amount of RON 87,462 thousand, representing loans due after 2026, from *Long-term loans* to *Short-term portion of long-term loans*. In addition, the Company worked with the banks and succeeded in implementing a more relaxed financial covenant level in the facility agreements, aligning it with current market practices and the prevailing business environment.

The Group and the Company borrowings and leases are secured with accounts receivable amounting to RON 63,833 thousand for the Group and RON 115,113 thousand for the Company (at 31 December 2024: RON 42,470 thousand for the Group and RON 70,645 thousand for the Company), with their current accounts opened with banks (see Note 18), with collateral deposits of RON 182,010 thousand for the Group and the Company (at 31 December 2024: RON 181,243 thousand), with property, plant and equipment (land, buildings, equipment) with a net book value of RON 713,925 thousand for the Group and RON 663,717 thousand for the Company (including for lease contracts) (2024: RON 696,577 thousand for the Group and RON 646,070 thousand for the Company) (see Note 13), and with inventories of RON 719,374 thousand for the Group and RON 676,282 thousand for the Company (2024: RON 762,385 thousand for the Group and RON 705,678 thousand for the Company) (see Note 16), with a letter of guarantee issued in the name and account of the State in favour of the lending banks for 80% of the RON 400,000 thousand signed in December 2024 and also with a letter of guarantee issued in the name and account of the State in favour of the lending State bank for 80% of the RON 168,000 thousand non-cash facility and for 70% of the RON 180,000 thousand loan, and also guarantees from the Romanian State for 80% of EUR 15,000 thousand, respectively EUR 22,000 thousand, signed in November 2023.

The Group has estimated that the fair value of the borrowings and the leases equals their carrying amount, mainly due to the fact that most of bank loans have variable interest and have been recently contracted. Their fair value belongs to the level 3 of the fair value measurement hierarchy.

20. Trade and other payables

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Foreign trade and other payables	308,572	253,648	287,583	238,024
Domestic trade and other payables	96,347	100,970	94,298	104,691
Accrued trade and other payables	84,524	88,624	82,606	85,806
Total	489,443	443,242	464,487	428,521

Domestic trade payables are liabilities towards suppliers located in the countries where the Group operates (in Romania).

The current business model combined with the investments made in the development of the scrap re-melting capacities in Eco Recycling Facility led to an increase in the balance of *Foreign trade and other payables* as at 30 June 2025 compared to 31 December 2024, mainly due to the increase in purchasing of aluminium ingots and aluminium scrap, as an efficient alternative to the electrolytic aluminum production.

21. Related party transactions

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

The main related parties with whom the Group and the Company had transactions during the period are:

Related party	
Vimetco PLC	Major shareholder
Paval Holding SRL	Significant shareholder
Alum S.A.	Subsidiary
Vimetco Extrusion SRL	Subsidiary
Conef S.A.	Subsidiary
Vimetco Trading SRL	Subsidiary
Stocare Energie Slatina S.A.	Subsidiary - newly established in June 2025
Vimetco Management Romania SRL	Common control
Vimetco Power Romania SRL	Common control
Centrul Rivergate SRL	Common control
Rivergate Fire SRL	Common control
CCGT Power Isalnita S.A.	Associate
Stocare Energie Tulcea S.A.	Associate - newly established in February 2025

Group transactions are eliminated on consolidation.

The primary related party transactions are described below:

Sales of goods and services:

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Subsidiaries	-	-	228,604	187,208
Companies under common control	518	478	480	439
Total goods and services provided to related parties	518	478	229,084	187,647

During the 6 months ended 30 June 2025, the category *Sales of goods and services* mainly includes income obtained by the Parent Company from the sale of billets to its subsidiary Vimetco Extrusion in the amount of RON 220,970 thousand (during 6-month period ended 30 June 2024: RON 180,675 thousand) and from the sale of electricity to its subsidiaries in the amount of RON 6,359 thousand (during 6-month period ended 30 June 2024: RON 4,965 thousand). Additionally, this category includes income booked by the Group and the Company from renting office space and various administrative services provided to companies under common control.

Goods and services purchased from related parties:

	Alro Group		Alro	
	Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Subsidiaries	-	-	-23,064	-64,854
Companies under common control	-122,815	-117,928	-112,783	-111,537
Total goods and services purchased from related parties	-122,815	-117,928	-135,847	-176,391

The purchases from related parties include agent services for acquisitions of alumina provided by the subsidiary Alum to the Parent Company of RON 8,681 thousand during the period of 6 months ended 30 June 2025 (during the period of 6 months ended 30 June 2024: agent services of RON 4,133 thousand and acquisitions of alumina of RON 50,762 thousand). The Parent Company's acquisitions in H1 2025 were lower compared to H1 2024 as starting March 2024 Alum became Alro's purchasing agent for alumina. The purchases also include acquisitions of gas and electricity for the production process by the Group companies from their related party Vimetco Management Romania (during H1 2025: RON 80,332 thousand at the Group level and RON 78,084 thousand at the Company level; during H1 2024: RON 85,435 thousand at the Group level and RON 84,979 thousand at the Company level).

Since 2023, Alro Group has sourced part of its energy needs from Vimetco Management Romania, which continued its consultancy activity while expanding into electricity and natural gas supply, mainly to group entities.

Additionally, the companies within the Group received services of a supportive nature from other entities under common control, such as advisory services, security, logistics and administrative services.

The following balances were outstanding at 30 June 2025 and 31 December 2024:

Trade and other accounts receivable:

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Subsidiaries	-	-	113,704	76,072
Companies under common control	27,370	13,719	23,223	9,870
Allowance for doubtful receivables	-3,462	-3,462	-49	-49
Total trade and other accounts receivable from related parties	23,908	10,257	136,878	85,893
- non-current	-	-	-	-
- current	23,908	10,257	136,878	85,893

Trade and other accounts payable:

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Subsidiaries	-	-	11,672	13,294
Companies under common control	27,135	30,065	24,655	28,350
Total trade and other accounts payable to related parties	27,135	30,065	36,327	41,644

Management compensation

The total compensation of the Group and the Company's key management personnel included in *General, administrative and selling expenses* in the Statement of Profit or Loss and other Comprehensive Income amounts to RON 11,616 thousand (during the 6 months of year 2024: RON 8,919 thousand) at Group level and to RON 8,771 thousand at Company level (during the 6 months of year 2024: RON 3,897 thousand), respectively, while the expense for determined contribution plan (social contributions) for the first 6 months of 2025 was RON 2,829 thousand for the Group and RON 2,141 thousand for the Company (the first 6 months of 2024 was RON 2,178 thousand for the Group and RON 923 thousand for the Company).

Key management personnel transactions

A number of key management personnel, or their close family members, hold positions in other companies that result in them having control or significant influence over these companies.

A number of these companies transacted with the Group during the period. The terms and conditions of these transactions were no more favourable than those available, or which might reasonably be expected to be available, in similar transactions with non-related companies.

The transactions concluded between the Group and the related parties were as follows:

Goods and services purchased from entities controlled by key management personnel or their close family members

		Alro Group		Alro	
		Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Management services	a)	2,017	2,479	-	-
Project management and production consulting services	b)	822	1,082	-	-
HORECA services	c)	74	233	38	20
Total		2,913	3,794	38	20

Goods sold to entities controlled by key management personnel or their close family members

		Alro Group		Alro	
		Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Sales of aluminium products	b)	2,188	1,544	-	-
Total		2,188	1,544	-	-

		Alro Group		Alro	
		30 June 2025	31 December 2024	30 June 2025	31 December 2024
Outstanding balances					
Trade payables					
Management services	a)	-	-	-	-
Project management and technical consulting services	b)	317	602	-	-
HORECA services	c)	7	6	7	6
Total		324	608	7	6

	Alro Group		Alro	
	30 June 2025	31 December 2024	30 June 2025	31 December 2024
Outstanding balances				
Trade receivables	953	236	-	-

a) The Group uses management services of one of its directors in relation to the management of a subsidiary. Amounts are billed under normal market terms and conditions.

b) The Group uses technical consulting services of one of its directors appointed late in 2024, in relation to project management and the production of a subsidiary. With the same company, the Group sold aluminium products. Amounts are billed under normal market terms and conditions.

c) The Group uses HORECA services occasionally, based on necessity, from a company controlled by a close family member of one of its directors. Services are performed and charged at market rates.

22. Commitments and contingencies

Commitments

Investment commitments

As at 30 June 2025, the Group's and the Company's commitments pertaining to the investments amounted to RON 67,029 thousand (31 December 2024: RON 56,007 thousand) at the Group level and to RON 66,648 thousand (31 December 2024: RON 55,496 thousand) at the Company level.

Raw material and utilities purchase contracts

As at 30 June 2025, the Group and the Company had contracts for purchases of raw materials, other consumables and utilities in amount of RON 1,111,452 thousand (31 December 2024: RON 1,216,013 thousand) for the Group and in amount of RON 1,121,765 thousand (31 December 2024: RON 1,235,335 thousand) for the Company.

Litigations

As at 30 June 2025 the Group was subject to a number of lawsuits resulting from the normal course of the business. The Management believes that these actions will not have a significant impact on the financial performance and financial position of the Group.

Taxation

Starting 2019, a subsidiary of the Group was subject to fiscal audit from the National Agency for Fiscal Administration related to income tax and VAT transactions regarding the period 2014-2018. The fiscal inspection was finalized in 2021 and the tax authorities concluded a report with a net effect of RON 19,643 thousand, which the subsidiary recognized as an expense in a first stage and paid

it within the legal time frame. Subsequently, the Group's subsidiary filed a tax appeal to the National Agency for Fiscal Administration against the Fiscal Inspection Report, which was rejected by the National Agency for Fiscal Administration. Subsequently, a fiscal expertise was performed by an independent expert appointed by the Court. In November 2023 the Court ruled in favor of the subsidiary by ordering a refund of RON 18,213 thousand, out of the total of RON 19,643 thousand that was the subject of the tax act. The National Agency for Fiscal Administration filed the appeal against this decision and the file was submitted to the High Court of Cassation and Justice. The case was sent back to the previous Court for re-trial.

In 2023, the Parent Company of the Group was subject to a fiscal audit by the National Agency for Fiscal Administration for the years 2016-2021. The audit was finalized in January 2024, resulting in additional charges, interest and penalties amounting to RON 20,919 thousand, which were recognized as an expense in 2023. The Company paid additional taxes imposed of RON 15,303 thousand in 2024, while for the remaining penalties, it applied for and it was approved their cancellation in October 2024, as allowed by the Government Emergency Ordinance no. 107/4.09.2024. In December 2024, the Company filed a lawsuit to Court of Law, to recover the remaining amounts paid and the cancellation of the tax decisions.

23. Events after the reporting date

In June 2025, the subsidiary Vimetco Extrusion was subject to fiscal audit from the National Agency for Fiscal Administration related to deliveries and purchases made on national territory and VAT transactions, covering the period January - March 2025. In July 2025, the fiscal audit was completed without fiscal consequences.

In July 2025, ALRO Group obtained the Environmental Consent for the construction of a 470 MW combined cycle power plant on natural gas in Slatina (with gas/hydrogen mix when this will be available). The investment consists of the construction of a combined cycle gas turbine power plant that will produce electricity through two thermodynamic cycles, being an efficient, operational and environmentally friendly technology, responding to the strategic objectives established by the National Strategy on Adaptation to Climate Change for the period 2024-2030, with a perspective of 2050. Thus, the investment will contribute to securing the supply of electricity, being a necessity for the aluminum industry and will support the long-term development plans of the Company in a challenging business environment.

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



**CONSOLIDATED AND SEPARATE QUARTERLY REPORT
Q2/2025**

**Consolidated and Separate Financial Results
for the Second Quarter of 2025 (Q2/2025)
as Compared to the Second Quarter of 2024 (Q2/2024)
(unaudited)**

ALRO S.A. and its subsidiaries



Quarterly Report Q2 2025

Consolidated interim statement of profit or loss and other comprehensive income - unaudited

in RON '000, except
stated otherwise

Alro Group			Alro Group	
Q2 2025	Q2 2024		Six months ended 30 June 2025	Six months ended 30 June 2024
974,477	893,504	Revenue from contracts with customers	2,009,026	1,697,071
-950,304	-829,059	Cost of goods sold	-1,931,070	-1,618,089
24,173	64,445	Gross result	77,956	78,982
-101,309	-77,178	General, administrative and selling expenses	-186,713	-149,164
82,990	110,033	Other operating income	160,583	230,596
-7,354	-11,724	Other operating expenses	-15,379	-21,387
-1,500	85,576	Operating result (EBIT)	36,447	139,027
-29,786	-30,149	Interest expenses	-59,156	-60,906
2,947	1,652	Other financial income	6,387	3,374
-8,364	-8,842	Other financial costs	-16,856	-17,102
41,569	-6,006	Net foreign exchange (losses) / gains	69,483	-20,120
1,352	168	Share of result of associates	1,445	-124
6,218	42,399	Result before income taxes	37,750	44,149
-9,800	-19,083	Income tax	-20,677	-35,702
-3,582	23,316	Result for the period	17,073	8,447
-	-	Other comprehensive income / (expense) for the period, net of tax	-	-
-3,582	23,316	Total comprehensive income / (expense) for the period	17,073	8,447
		Result attributable to:		
-3,564	23,280	Shareholders of Alro SA	17,118	8,422
-18	36	Non-controlling interest	-45	25
-3,582	23,316		17,073	8,447
		Total comprehensive income / (expense) attributable to:		
-3,564	23,280	Shareholders of Alro S.A.	17,118	8,422
-18	36	Non-controlling interest	-45	25
-3,582	23,316		17,073	8,447
		Earnings / (losses) per share		
(0.005)	0.033	Basic and diluted (RON)	0.024	0.012

Quarterly Report Q2 2025

Separate interim statement of profit or loss and other comprehensive income - unaudited

in RON '000,
except stated otherwise

Alro			Alro	
Q2 2025	Q2 2024		Six months ended 30 June 2025	Six months ended 30 June 2024
912,402	843,655	Revenue from contracts with customers	1,887,245	1,581,926
-896,859	-798,101	Cost of goods sold	-1,829,561	-1,534,182
15,543	45,554	Gross result	57,684	47,744
-89,262	-64,584	General, administrative and selling expenses	-163,794	-122,456
-203	-134	Impairment of investments in subsidiaries	-399	-242
83,395	95,988	Other operating income	160,742	205,550
-3,277	-4,913	Other operating expenses	-7,030	-8,529
6,196	71,911	Operating result (EBIT)	47,203	122,067
-29,120	-29,677	Interest expenses	-57,682	-59,923
2,875	1,234	Other financial income	6,242	2,789
-8,016	-8,295	Other financial costs	-16,172	-16,134
41,373	-5,960	Net foreign exchange (losses) / gains	69,376	-20,169
1,445	-124	Share of result of associates	1,445	-124
14,753	29,089	Result before income taxes	50,412	28,506
-8,080	-17,070	Income tax	-16,873	-30,559
6,673	12,019	Result for the period	33,539	-2,053
-	-	Other comprehensive income / (expense) for the period, net of tax	-	-
6,673	12,019	Total comprehensive income / (expense) for the period	33,539	-2,053
		Result attributable to:		
6,673	12,019	Shareholders of Alro SA	33,539	-2,053
		Non-controlling interest	-	-
		Total comprehensive income / (expense) attributable to:		
6,673	12,019	Shareholders of Alro S.A.	33,539	-2,053
		Non-controlling interest	-	-
		(Losses) / earnings per share		
0.009	0.017	Basic and diluted (RON)	0.047	-0.003

Quarterly Report Q2 2025

Interim consolidated statement of financial position - unaudited

in RON '000

Alro Group

	30 June 2025	31 December 2024
Assets		
Non-current assets		
Property, plant and equipment	914,779	919,667
Investment properties	526	541
Intangible assets	3,261	3,386
Equity accounted investments	217,664	216,202
Goodwill	15,834	15,834
Right-of-use assets	9,949	6,945
Deferred tax asset	78,863	90,851
Other non-current financial assets	185,684	184,612
Total non-current assets	1,426,560	1,438,038
Current assets		
Inventories	832,017	877,180
Trade receivables, net	105,765	79,302
Current income tax receivable	224	229
Other current financial assets	500,105	378,396
Other current non-financial assets	47,188	43,151
Restricted cash	75	55
Cash and cash equivalents	307,458	431,303
Total current assets	1,792,832	1,809,616
Total assets	3,219,392	3,247,654
Shareholders' Equity and Liabilities		
Shareholders' equity		
Share capital	370,037	370,037
Share premium	86,351	86,351
Other reserves	376,103	376,103
Retained earnings	177,540	167,216
Result for the period	17,118	10,324
Equity attributable to shareholders of Alro S.A.	1,027,149	1,010,031
Non-controlling interest	463	508
Total shareholders' equity	1,027,612	1,010,539
Non-current liabilities		
Bank and other loans, non-current	1,323,224	1,452,321
Leases, non-current	6,143	3,853
Provisions, non-current	26,821	26,057
Post-employment benefit obligations	28,587	28,275
Government grants, non-current portion	31,603	33,294
Other non-current financial liabilities	4,820	7,521
Total non-current liabilities	1,421,198	1,551,321
Current liabilities		
Bank and other loans, current	178,529	96,069
Leases, current	3,033	2,400
Provisions, current	16,125	28,796
Trade and other payables	489,443	443,242
Contract liabilities	14,607	39,161
Current income taxes payable	5,127	8,486
Government grants, current portion	4,752	4,752
Other current liabilities	58,966	62,888
Total current liabilities	770,582	685,794
Total liabilities	2,191,780	2,237,115
Total shareholders' equity and liabilities	3,219,392	3,247,654

Quarterly Report Q2 2025

Interim separate statement of financial position - unaudited

in RON '000

	Alro	
	30 June 2025	31 December 2024
Assets		
Non-current assets		
Property, plant and equipment	733,672	732,266
Investment properties	3,467	3,705
Intangible assets	2,558	3,001
Investments in subsidiaries	143,868	144,178
Equity accounted investments	217,648	216,202
Right-of-use assets	7,342	5,438
Deferred tax asset	74,611	86,564
Other non-current financial assets	183,080	182,214
Total non-current assets	1,366,246	1,373,568
Current assets		
Inventories	676,282	705,678
Trade receivables, net	132,381	86,076
Other current financial assets	462,030	351,789
Other current non-financial assets	85,912	83,274
Cash and cash equivalents	289,534	423,320
Total current assets	1,646,139	1,650,137
Total assets	3,012,385	3,023,705
Shareholders' Equity and Liabilities		
Shareholders' equity		
Share capital	370,037	370,037
Share premium	86,351	86,351
Other reserves	306,191	306,191
Retained earnings	119,322	104,001
Result for the period	33,539	15,321
Total shareholders' equity	915,440	881,901
Non-current liabilities		
Bank and other loans, non-current	1,323,224	1,441,947
Leases, non-current	4,851	3,495
Provisions, non-current	2,966	2,901
Post-employment benefit obligations	26,998	26,686
Government grants, non-current portion	21,084	22,125
Other non-current financial liabilities	697	724
Total non-current liabilities	1,379,820	1,497,878
Current liabilities		
Bank and other loans, current	165,328	83,848
Leases, current	2,413	1,995
Provisions, current	15,072	28,257
Trade and other payables	464,487	428,521
Contract liabilities	14,219	38,609
Current income taxes payable	1,662	6,553
Government grants, current portion	3,454	3,454
Other current liabilities	50,490	52,689
Total current liabilities	717,125	643,926
Total liabilities	2,096,945	2,141,804
Total shareholders' equity and liabilities	3,012,385	3,023,705

Quarterly Report Q2 2025

Interim consolidated statement of changes in shareholders' equity for the six months ended 30 June 2025 - unaudited

Alro Group

	Share capital	Share premium	Other reserves
Balance at 1 January 2024	370,037	86,351	375,866
Result for the period	-	-	-
Other comprehensive income / (expense)	-	-	-
Total comprehensive income / (expense) for the period	-	-	-
Appropriation of prior year result	-	-	302
Balance at 30 June 2024	370,037	86,351	376,168
Balance at 1 January 2025	370,037	86,351	376,103
Result for the period	-	-	-
Other comprehensive income / (expense)	-	-	-
Total comprehensive income / (expense) for the period	-	-	-
Appropriation of prior year result	-	-	-
Balance at 30 June 2025	370,037	86,351	376,103

Retained earnings	Result for the period	Attributable to shareholders of Alro SA	Non-controlling interests	Total shareholders' equity
730,129	-560,264	1,002,119	494	1,002,613
-	8,422	8,422	25	8,447
-	-	-	-	-
-	8,422	8,422	25	8,447
-560,566	560,264	-	-	-
169,563	8,422	1,010,541	519	1,011,060
167,216	10,324	1,010,031	508	1,010,539
-	17,118	17,118	-45	17,073
-	-	-	-	-
-	17,118	17,118	-45	17,073
10,324	-10,324	-	-	-
177,540	17,118	1,027,149	463	1,027,612

Quarterly Report Q2 2024
 Interim separate statement of changes in shareholders' equity
 for the six months ended 30 June 2025 - unaudited

Alro	Share capital
Balance at 1 January 2024	370,037
Result for the period	-
Total other comprehensive income / (expense)	-
Total comprehensive income / (expense)	-
Appropriation of prior year result	-
Balance at 30 June 2024	370,037
Balance at 1 January 2025	370,037
Result for the period	-
Total other comprehensive income / (expense)	-
Total comprehensive income / (expense)	-
Appropriation of prior year result	-
Balance at 30 June 2025	370,037

in RON '000

Share premium	Other reserves	Retained earnings	Result for the period	Total
86,351	306,191	645,897	-539,116	869,360
-	-	-	-2,053	-2,053
-	-	-	-	-
-	-	-	-2,053	-2,053
-	-	-539,116	539,116	-
86,351	306,191	106,781	-2,053	867,307
86,351	306,191	104,001	15,321	881,901
-	-	-	33,539	33,539
-	-	-	-	-
-	-	-	33,539	33,539
-	-	15,321	-15,321	-
86,351	306,191	119,322	33,539	915,440

Quarterly Report Q2 2025
Interim consolidated statement of cash flows - unaudited

in RON '000

Alro Group

Q2 2025	Q2 2024		Six months ended 30 June 2025	Six months ended 30 June 2024
		Cash flow from operating activities		
6,218	42,399	Result before income taxes	37,750	44,149
		Adjustments for:		
29,711	29,769	<i>Depreciation and amortisation</i>	58,795	62,335
344	-2,057	Movement in provisions	-12,671	-3,315
-1,529	-14,486	Change in allowance for impairment of inventory	7,073	-67,088
-67	-265	Change in allowance for expected credit losses of trade receivables	-132	-121
530	446	Losses/(gains) on disposal of property, plant and equipment	660	826
-1,353	-168	Share of result of associates	-1,446	124
-26,949	5,870	Net foreign exchange (gains)/ losses on loans revaluation	-56,459	19,993
-2,931	-1,503	Interest income	-6,371	-3,145
29,786	30,149	Interest expense	59,156	60,906
-16	-15	Dividend income	-16	-15
		Changes in working capital:		
50,546	5,205	Change in inventories	38,202	160,313
-66,331	-96,941	Change in trade receivables and other assets	-180,199	-200,302
-38,269	53,674	<i>Change in trade and other payables</i>	16,567	144,896
14,015	-9,191	Income taxes paid	13,499	-15,647
-25,546	-46,006	Interest paid	-46,920	-59,573
-31,841	-3,120	Net cash generated by / (used in) operating activities	-72,512	144,336
		Cash flow from investing activities		
-31,833	-27,898	Purchase of property, plant and equipment and intangible assets, net	-59,962	-69,208
-	-	Government grants received	723	-
167	229	Proceeds from sale of property, plant and equipment	394	631
-	-	Acquisition of subsidiary	-	-
-	-	Acquisition of associates	-18	-
16	15	Dividends received	16	15
2	-30	Change in restricted cash	-21	19,760
2,816	1,219	Interest received	6,226	2,774
-28,832	-26,465	Net cash used in investing activities	-52,642	-46,028
		Cash flow from financing activities		
60,220	961	Proceeds from loans	65,506	961
-38,210	-81,280	Repayment of loans and leases	-64,197	-145,898
22,010	-80,319	Net cash provided by/(used in) financing activities	1,309	-144,937
-38,663	-109,904	Net change in cash and cash equivalents	-123,845	-46,629
346,121	269,401	Cash and cash equivalents at beginning of period	431,303	206,126
-	-	Effect of exchange rate differences on cash and cash equivalents	-	-
307,458	159,497	Cash and cash equivalents at end of period	307,458	159,497

Quarterly Report Q2 2025
Interim separate statement of cash flows - unaudited

in RON '000

Alro				
Q2 2025	Q2 2024		Six months ended 30 June 2025	Six months ended 30 June 2024
		Cash flow from operating activities		
14,753	29,089	Result before income taxes	50,412	28,506
		<i>Adjustments for:</i>		
24,210	24,163	Depreciation and amortisation	48,124	50,657
203	134	Impairment of investments in subsidiaries	399	242
137	-1,355	Movement in provisions	-13,185	-1,355
-1,529	-12,399	Change in allowance for impairment of inventory	7,073	-65,001
11	-14	Change in allowance for expected credit losses of trade receivables	-20	188
11	186	Losses/(gains) on disposal of property, plant and equipment	27	388
-1,446	124	Share of result of associates	-1,446	124
-26,955	5,850	Net foreign exchange (gains)/ losses on loans revaluation	-56,466	19,904
-2,859	-1,219	Interest income	-6,226	-2,774
29,120	29,677	Interest expense	57,682	59,923
-16	-15	Dividend income	-16	-15
		<i>Changes in working capital:</i>		
46,005	2,815	Change in inventories	22,446	114,427
-62,786	-98,283	Change in trade receivables and other assets	-187,223	-174,823
-42,377	63,795	Change in trade and other payables	11,542	175,725
15,731	-7,514	Income taxes paid	15,731	-13,970
-25,229	-45,805	Interest paid	-46,145	-59,291
-33,016	-10,771	Net cash generated by / (used in) operating activities	-97,291	132,855
		Cash flow from investing activities		
-27,500	-22,179	Purchase of property, plant and equipment and intangible assets, net	-53,147	-38,516
-	-	Government grants received	723	-
-89	-	Acquisition of subsidiary	-89	-
16	15	Dividends received	16	15
-	-38	Change in restricted cash	-	-
2,859	1,219	Interest received	6,226	2,774
-24,714	-20,983	Net cash used in investing activities	-46,271	-35,727
		Cash flow from financing activities		
58,873	961	Proceeds from loans	64,158	961
-36,882	-80,397	Repayment of loans and leases	-54,382	-143,850
21,991	-79,436	Net cash provided by/(used in) financing activities	9,776	-142,889
-35,739	-111,190	Net change in cash and cash equivalents	-133,786	-45,761
325,273	225,710	Cash and cash equivalents at beginning of period	423,320	160,281
-	-	Effect of exchange rate differences on cash and cash equivalents	-	-
289,534	114,520	Cash and cash equivalents at end of period	289,534	114,520

1. Organisation and nature of business

Alro S.A. (*the Company* or the *Parent Company*) is a joint stock company that was established in 1961 in Romania, and is one of the largest vertically integrated aluminium producers in Europe, by production capacity. The shares of Alro S.A. are traded on the Bucharest Stock Exchange under the symbol ALR.

The Company's administrative and managerial offices are located in Romania, with the headquarters in 116, Pitesti Street, Slatina, Olt County, Romania.

At 30 June 2025, the majority shareholder of Alro S.A. was Vimetco PLC, a private limited liability company registered under the laws of Cyprus, based in Navarinou 18, Navarinou Business Centre, Agios Andreas, 1100, Nicosia, Cyprus. The company is ultimately controlled by Maxon Limited (Bermuda).

2. Basis of preparation

These financial figures have been prepared in accordance with the Ministry of Public Finance Order no. 2844/2016, with subsequent amendments, for the approval of the Accounting regulation ("OMFP 2844/2016") in accordance with the International Financial Reporting Standards (IFRS Accounting standards) applicable to the companies whose real shares are accepted for transaction on a regulated market*. The Group's functional and reporting currency is the Romanian leu (RON). This consolidated and separate quarterly report is prepared in RON thousand, rounded to the nearest unit.

The financial information for the 6-month period ended 30 June 2025 has not been audited and has not been subject to an external auditor's review.

3. Significant accounting policies

The same accounting policies and methods of computation have been followed in this quarterly report as those applied in preparing the Group's financial statements as at 31 December 2024, except for the adoption of new standards effective as of 1 January 2025.

This quarterly report has been prepared on a going concern basis, which assumes the Group will be able to continue in operation for the foreseeable future and to discharge its liabilities in the normal course of business.

**Order no. 2844/2016, with subsequent amendments, is in accordance with the IFRS Accounting Standards, as adopted by EU, with the exception of IAS 21 The effects of changes in foreign exchange rates regarding functional currency, the provisions of IAS 20 Accounting for Government Grants regarding the recognition of revenue from green certificates, the provisions of IFRS 15 Revenue from contracts with customers regarding the revenue from taxes of connection to the distribution grid and except IAS 12 Income Tax regarding the treatment of the Minimum Turnover Tax as an income tax expense.*

4. Explanatory notes

4.1. Consolidated statement of profit or loss and other comprehensive income

Revenues from contracts with customers

Q2 2025	Q2 2024		Six months ended 30 June 2025	Six months ended 30 June 2024
2,673	5,985	Revenues from the alumina segment	3,699	11,135
301,382	280,372	Revenues from the primary aluminium segment	636,486	526,644
668,764	607,061	Revenues from the processed aluminium segment	1,363,227	1,157,025
1,658	86	Other	5,614	2,267
974,477	893,504	Total	2,009,026	1,697,071

On 30 June 2025, Alro celebrated 60 years of uninterrupted activity since the first batch of Romanian aluminium produced at the Aluminium Plant in Slatina. With an electrolytic aluminium output of 8,000 tons per year at the time of its establishment, and a production consisting exclusively of ingots, the Alro Group has now reached an output of about 370,000 tonnes per year and currently, ingots are no longer part of ALRO's product portfolio. Since the time of its establishment, pursuing its clear development strategy, Alro and its subsidiaries, have continuously expanded the production and have diversified the range of products, focusing especially on high and very high value-added aluminium products. This progress has been driven by the consistent investments made over time in state-of-the-art technologies, which allowed the Group to strengthen the list of customers operating in competitive and sophisticated industries such as: aerospace, automotive and general engineering, and to become a major player in the aluminium market.

The improvement of the operational efficiency and the reduction of costs have represented a priority for the Group. On one hand, the Group implemented measures to preserve its business, such as further investing in energy efficiency projects, and on the other hand the Group integrated circular economy principles into its activity, significantly increasing the volume of aluminium scrap that is recycled and remolten in the Eco-Recycling facility, this investment helping the Group to reduce the overall electricity consumption and increase its sustainable production, with a lower environmental footprint.

At the same time, the Group invested in human capital through vocational training, upskilling, reskilling, specialization, and postgraduate programs designed to enhance employee performance. It is also an active member of the local community, supporting schools and medical institutions. In addition, the organization runs long-term partnerships with Romanian high education institutions, offering internships and practical training opportunities.

The Group has also developed a long-standing cooperation with healthcare units. The partnership with Olt County Ambulance Service dates back to the early 2000s, when ALRO donated five fully equipped ambulances and continues over time, with support in equipment, electric wheelchairs and other materials. Furthermore, the Group supported local and national institutions in preventing and mitigating the effects of the COVID-19 pandemic through donations exceeding RON 1 million consisting of financial support, medical equipment and safety equipment.

In H1 2025 the achieved **turnover** reflects the efforts of the Group to strengthen its market position, being 18% higher as compared to H1 2024 (H1 2025: RON 2,009,026 thousand; H1 2024: RON 1,697,071 thousand) in the context of higher volume sales. The same trend was registered in the second quarter, when the Group's turnover was 9% higher as compared to Q2 2024 (Q2 2025: RON 974,477 thousand; Q2 2024: RON 893,504 thousand).

In 2024, the aluminium price (LME) had an upward trend especially starting Q2 2024, with the fastest increase being recorded in Q4 2024 (average of 2,603 USD/tonne). In Q1 2025 the price of aluminium continued the increasing trend recorded during the previous year, such that the average 3M seller LME reached in this quarter the level of 2,626 USD/tonne. Towards the end of Q1 2025 the aluminium price started to decrease, but resumed an upward trend starting in the middle of June 2025, thus in Q2 2025 the average 3M seller LME was of 2,462 USD/tonne, i.e. lower by 4% than the one recorded in Q2 2024 (2,562 USD/tonne). Despite these fluctuations, the average LME price for the first half of 2025 increased by 6% compared to the first half of 2024 (H1 2025: 2,545 USD/tonne; H1 2024: 2,400 USD/tonne).

During the second quarter of 2025, the Primary Aluminium Division achieved substantial growth, both in terms of volume and premiums as well as in acquiring new wire rod customers in European market and reported higher sales by 7% as compared to the same period of 2024 (Q2 2025: RON 301,382 thousand; Q2 2024: RON 280,372 thousand). In Q2 2025 the product that recorded

the most significant growth of sales was wire rod, which saw an increase by 2,192 tonnes as compared to the second quarter of the previous year. Most of wire rod sales were directed to the Romanian market and, to a lesser extent, to neighboring countries. Demand for wire rod, both from Romania and from Central and Eastern Europe, began to rise in mid-January 2025 and maintained a positive trend each month thereafter. Moreover, the demand was very strong during Q2 2025 and the Group had the opportunity to benefit from its spot availability by increasing substantially the product premiums when most of our European competitors were sold out. By contrary, the demand for billets was poor throughout Q2 2025, with a slight recovery during the first half of June 2025. Nevertheless, the low premiums and expensive scrap made this product not being economically feasible, so that more metal resources were redirected to higher value added production. Under these circumstances, in Q2 2025 the billet sales decreased by 146 tonnes as compared to Q2 2024. Furthermore, in 2025, the Group decided to cut the slab sales and process the entire production internally to improve the overall business profitability by selling more flat rolled products. This strategic decision allowed the Group to maximize profitability by reallocating production capacity toward other products with higher profit margins.

In the second quarter of 2025, the Processed Aluminum Division recorded better sales and an improved sales mix compared to Q2 2024, supported by the much higher sales of plates and a gradual reduction of our sales for sheets and coils (Q2 2025: RON 668,764 thousand; Q2 2024: RON 607,061 thousand, i.e. an increase by 10%). Despite of a much fragile and uncertain business environment in the US market (import tariff increased to 25% on 12 March 2025 and then to 50% at the beginning of June 2025), and a rather stagnant market for the aerospace applications (as long as the raw material is concerned), a better spread of business across geographical regions and stronger partnerships with Group's customers led to improved results in Q2 2025. Sheets and coils business demand in Europe remained at low levels, with automotive activity continuing to disappoint, which is reflected in our sales figures for the second quarter of 2025 (sheets and coils deliveries decreased by 1,498 tons in Q2 2025 as compared to Q2 2024). However, through a more favorable production and sales mix, reflecting the effectiveness of our commercial strategy and adaptability to market conditions, the Group covered the available capacity by an increased level of orders for plates, despite the deepening impact of ongoing difficult geopolitical situation across the global markets and sold 2,314 tonnes more plates in Q2 2025 than in Q2 2024. The aluminium flat rolled products market has become increasingly challenging over the past year, shaped by a volatile geopolitical environment, a noticeable slowdown in automotive demand and, at the same time, a heightened price competition which has further intensified pressure on margins and commercial positioning. This has prompted the Group to rethink established approaches, explore new opportunities and adopt a more resilient strategy to navigate this demanding landscape. At the same time, following the same trend of plates, in Q2 2025 the quantitative sales of extruded products were higher by 753 tonnes as compared to the same period of previous year, consisting of deliveries of standard and customized profiles.

In terms of **Cost of goods sold**, the Group reported a 14.6% higher level in Q2 2025 (RON 950,304 thousand) as compared to Q2 2024 (RON 829,059 thousand), as a result of the quantitative increase in sales and higher purchase prices of utilities and some of raw materials, in line with their specific market prices. Pursuing its strategy to reduce costs and its specific consumptions and become a greener aluminium producer, in Q2 2025 the Group increased its quantitative production of liquid aluminium by 3,873 tonnes as compared to Q2 2024 (Q2 2025: 28,220 tonnes; Q2 2024: 24,347 tonnes) and by 1,495 tonnes compared to Q1 2025 thanks to the investment in development of Eco-Recycling Facility, thus being reflected in a higher consumption of aluminium scrap and ingots (in Q2 2025: 33,038 tonnes; in Q2 2024: 32.266 tonnes).

The increased sales volumes of processed products and wire rod had a positive impact on the gross result, despite being partially offset by declining aluminium prices and rising input costs. In Q2 2025, the gross result amounted to RON 24,173 thousand, lower than the RON 64,445 thousand recorded in Q2 2024.

In Q2 2025, **General, administrative and selling expenses** increased compared to the same period of the previous year to RON 101,309 thousand, up from RON 77,178 thousand in Q2 2024, mainly due to higher staff costs and taxes. Staff costs increased following salary adjustments under the renegotiated Collective Labour Contract and performance bonuses granted by the Parent Company. Additionally, starting 1 January 2024, Law No. 296/2023 introduced a 0.5% turnover tax for entities in the oil and gas sectors, with broader applicability in 2025. As a result, in Q2 2025, the Parent Company recorded RON 5,194 thousand under Taxes other than income taxes (Q2 2024: nil).

In Q2 2025, **Other operating income** reached the value of RON 82,990 thousand (as compared to Q2 2024: RON 110,033 thousand) and mainly includes compensation of RON 75,000 thousand (Q2 2024: RON 80,872 thousand) recorded by the Group for high energy costs as per EU legislation on the EU-ETS scheme, on an accrual basis. For more details, see also the Group's interim condensed consolidated and separate financial statements. Additionally in Q2 2024, the Group recorded revenues from the sale of carbon dioxide emission certificates in the amount of RON 23,210 thousand, as the Group was in the position to have a surplus of emission certificates.

The Group's **operating result (EBIT)** decreased from a profit of RON 85,576 thousand achieved in Q2 2024 to a loss of RON 1,500 thousand in Q2 2025, since the Group estimated lower income from the government compensation in 2025 than in the previous year, as mentioned in paragraph above, and the revenue from compensation could not compensate the high input costs.

Net foreign exchange **gains /(losses)** are mainly amounts arising from the revaluation of the Group's loans and other foreign currency liabilities. The positive FX impact was significant in Q2 2025, with a notable gain of RON 41,569 thousand supported by the appreciation of the Romanian Leu against of US dollar at the end of Q2 2025, whereas in Q2 2024 the Group registered a loss of RON 6,006 thousand, driven by the depreciation of Romanian Leu at the end of Q2 2024.

Despite the fact that market activity declined in Q2 2025, amid weak demand, continuing uncertainty and price volatility, the Group continued its strategy of consolidating its position as a supplier of high value-added products and managed to increase deliveries of plates by 15% and wire rod by 12% in Q2 2025 as compared to Q2 2024. However, the impact of higher inputs and utility prices and of the still high interest rates, partially offset by the positive effect of FX, has led to a decline in results, such that, in Q2 2025, the Group reported a negative net result of RON 3,582 thousand as compared to a positive net result of RON 23,316 thousand in Q2 2024. Nevertheless, in the 6-month period ended 30 June 2025, the Group achieved a net profit of RON 17,073 thousand, higher than the net profit of RON 8,447 thousand reported in the same period of the previous year, reflecting the Group's ability to transform opportunities into good results.

The reconciliation between the net result and the adjusted net result for Q2 2025 and Q2 2024 is detailed below:

		in RON '000	
Q2 2025	Q2 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
-3,582	23,316	17,073	8,447
Net result of the period			
5,597	8,635	11,988	15,375
Deferred income tax			
2,015	31,951	29,061	23,822
Adjusted net result			

4.2. Consolidated Statement of Financial Position

Non-current assets

Property, plant and equipment

In H1 2025, the Group continued its programmes to improve the energy efficiency of its equipment and technological processes by replacing the smelter pot components using the innovative AP12LE (Aluminium Pechiney 120 kA Low-Energy) technology (32 pots were upgraded in H1 2025 and 21 pots in H1 2024).

Also in H1 2025, the Group commissioned a new electric furnace for aluminium alloy plates aging amounting to RON 11,570 thousand and invested RON 4,416 thousand by 30 June 2025 in a double-sided conductivity scanner for aluminium plates, which represents only a part of the planned investment. These investments will led to a more efficient output of top quality high added-value aluminium.

The same direction was followed by one of the Group's subsidiaries, Vimetco Extrusion, which acquired through leasing a new CNC machine in Q2 2025, (RON 1,924 thousand), designed to provide high-precision solutions for aluminium processing. This means providing customized solutions for small or large-scale production needs and delivering high-complexity products for the most demanding purposes, being one-stop-shop by providing not only extrusions but also machining, welding and surface treatments.

Deferred tax asset

The decrease in deferred tax asset during the first 6 months of 2025, from RON 90,851 thousand as at 31 December 2024 to RON 78,863 thousand as at 30 June 2025 was mainly due to the reduction of capitalized tax losses, exceeding borrowing costs and other deductible temporary differences.

Current assets

In H1 2025, the Group continued its strategy for reducing costs by constantly investing in technology designed to optimize production processes, decrease specific consumption and reduce dependence on electricity. Furthermore, during the 6-month period of 2025, the Group identified and seized market opportunities and sold mostly aluminium wire rod and processed products from the existing finished product stocks as at 31 December 2024 and the overall *Inventories* have thus decreased from RON 877,180 thousand as at 31 December 2024 to RON 832,017 thousand as at 30 June 2025.

Other current financial assets mainly include government grants receivable that the Group is entitled to receive as compensation for higher electricity costs resulting from indirect emission costs under the EU Emission Trading Scheme (ETS). As at 30 June 2025, the outstanding balance of the government grants receivable represents the compensation receivable of RON 302,382 thousand for costs related to the year 2024, which the Group recognised as at 31 December 2024 and which is expected to be received in 2025 and, on an accrual basis, the compensation for 6 months 2025 of RON 150,000 thousand.

Liabilities

The Group's *total liabilities* decreased by 2% and reached RON 2,191,780 thousand as at 30 June 2025 (31 December 2024: RON 2,237,115 thousand), mainly due to decrease of the category *Bank and other loans non-current* (30 June 2025: RON 1,323,224 thousand; 31 December 2024: RON 1,452,321 thousand) as a result of the payment of loan instalments according to the payment schedules agreed with the financing banks and the appreciation of RON against USD at the reporting date as compared to the beginning of the year. In addition, in April 2025 the Group drawn down of RON 54,851 thousand (equivalent to USD 12,500 thousand) from a facility contracted in December 2024, which partially offset the decrease in bank and other loans (for more details see also Note 19 *Borrowings and leases in the Interim condensed consolidated and separate financial statements for the 6-month period 2025*). On the other hand, at 30 June 2025, the category Trade and other payables increased (30 June 2025: RON 489,443 thousand; 31 December 2024: RON 443,242 thousand) following the acquisition of higher quantities of aluminium ingots and scrap supported by the increase in output of liquid aluminium.

4.3. Consolidated Statement of Cash Flows

As at 30 June 2025, the Group had a consolidated cash position of RON 307,458 thousand (at 31 December 2024 it was of RON 431,303 thousand), and RON 45,983 thousand available to draw from loan facilities (at 31 December 2024: RON 37,996 thousand).

In the second quarter of 2025 the Group reported a negative cash flows from operating activity of RON 31,841 thousand as compared to the cash flow used in operating activities of minus RON 3,120 thousand recorded in Q2 2024, mainly due to the negative flows from *Change in trade and other payables* in Q2 2025 versus Q2 2024, following the increase in purchasing of aluminium ingots and aluminium scrap, as an efficient alternative to the electrolytic aluminum production. Conversely, the positive flows from *Change in inventories* of RON 50,546 thousand recorded in Q2 2025 (in Q2 2024 positive flows of RON 5,205 thousand) reflect the Group's efforts to manage as efficiently as possible the cash flows and to optimise the working capital.

Net cash outflows related to investment activities in Q2 2025 of RON 28,832 thousand represent payments for the smelter pots relining and furnaces revamping, for a double-sided conductivity scanner for aluminum plates, for the acquisition of an electric furnace for aluminium alloy plates aging and for the investment in a new CNC machine, as well as investments for the maintenance and improvement of the Group's equipment parameters.

The net cash flow from financing activity in Q2 2025 was positive, of RON 22,010 thousand, coming mainly from the amount drawn down from the aforementioned credit facility, as well as from the refunding of the due loan instalments according to the repayment schedules agreed with the banks, and from leasing debts during the reporting period.

4.4. Strategic investments

There are several investing projects pursued in Q2 2025, out of which the following ones have a great weight in the Group strategy to align to the most recent standards of sustainability and good practices:

In Q2 2025 the Group commissioned a new electric furnace for aluminium alloy plates aging. The investment started in October 2023 and its objective is to increase the output of high and very high value added products. This state-of-the-art electric furnace replaces three furnaces powered by natural gas with the aim of streamlining the heat treatment operations within the Processed Aluminium Division and represents an important step towards achieving Alro's goal of becoming a greener producer. The total value of the investment, including equipment and installation was of RON 11,570 thousand.

At the same time, in Q2 2025 the Group also commissioned part of the investment project initiated in 2023, specifically the acquisition of a double-sided conductivity scanner for aluminum plates, for which an amount of RON 4,416 thousand was incurred up to the reporting date. This asset represents one component of the project, with further related acquisitions to follow. The benefits derived from this investment are aligned with the Group's strategy to enhance operational safety and increase the share of high value-added production (particularly aerospace products) in the overall production mix.

In Q2 2025 the Group has in progress the investment commenced in 2023, consisting in purchasing an immersion ultrasound control system in order to check the internal structure of the aluminium alloy plates designed mainly for the aerospace production, in order to increase the US control capacity and ensure the safety of the aluminium alloy plates US checking process. Following the implementation of this project, it will increase the high value added production share (mainly aero products) in the total estimated hot rolled production mix. The total estimated value of project is of RON 9,619 thousand (the equivalent in RON of USD 2,220 thousand) and the commissioning is scheduled to take place in Q3 2025.

Also, in Q2 2025 the Group carried on the project investment, commenced in the end of 2024, *Increase Alro melting capacity by installing a 60 tonnes furnace in the Cast House*, able to deliver a design melting rate of 5 tonne/ hour aluminium ingots and comply with the environment standards. The total estimated value of project is of RON 12,132 thousand (the equivalent in RON of USD 2,800 thousand) and the commissioning is scheduled to take place in December 2025.

An investment initiated in 2024 and continued in 2025 targets the development of Alro's product portfolio through the acquisition of processing equipment for longitudinal cutting and milling of precision plates, with a total estimated value of RON 31,630 thousand (the equivalent in RON of USD 7,300 thousand). The expected benefits are aligned with the Group's strategy to increase profitability by producing complex, high added-value products tailored to customer requirements. The project is scheduled for completion in 2026.

**Ratios in accordance with Appendix 13A from
regulation 5/2018 issued by FSA**



Ratios

Ratio description	Formula	Alro Group		Alro	
		Six months ended 30 June 2025	Six months ended 30 June 2024	Six months ended 30 June 2025	Six months ended 30 June 2024
Current ratio	Current assets/ Current liabilities	2.33	2.21	2.30	2.12
Gearing ratio	Long-term borrowings/ Equity x 100	129.36	106.79	145.08	124.43
	Long-term borrowings/ Capital employed x 100	56.40	51.64	59.20	55.44
Receivables turnover	Receivables average balance/ Turnover x 180	8.29	8.33	10.42	11.00
Non-current assets turnover	(Turnover x 360/ 180)/ Non-current assets	2.82	2.67	2.76	2.64

Statement of the Persons in Charge

Statement of the Persons in Charge

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

1. We confirm to the best of our knowledge that the interim condensed consolidated and separate financial statements of ALRO Group for the period ended on 30 June 2025 and ALRO Group quarterly financial results for Q2 2025 prepared in accordance with the applicable set of accounting standards give a true and fair view of the financial position, financial performance and cash-flow of the Group for the six months ended 30 June 2025;

2. The Consolidated Directors' Report gives a true and fair view of the development and the performance of ALRO Group for the six months ended 30 June 2025.

The Board of Directors represents the interests of the Group, of the Parent-company and of its shareholders and is responsible for the overall management of the Group and of the Company.

At the date of this report, the Board of Directors of the Parent-company consists of 11 members as follows:

1.	Marian-Daniel Nastase	Chairman
2.	Svetlana Pinzari	Vice-President
3.	Gheorghe Dobra	Member
4.	Vasile Iuga	Member
5.	Marinel Burduja	Member
6.	Adrian Fercu	Member
7.	Darius Pavăl	Member
8.	Voicu Cheta	Member
9.	Genoveva Nastase	Member
10.	Igor Higer	Member
11.	Dragos-Adrian Voncu	Member

The interim condensed consolidated and separate financial statements of ALRO Group for the period ended on 30 June 2025 and ALRO Group quarterly financial results for Q2 2025 are not audited.

Chairman of the Board of Directors
Marian Daniel Nastase

Chief Executive Officer
Marin Cilianu

Chief Financial Officer
Genoveva Nastase

12 August 2025