Current Report

No:1622/12.08.2020

To: Financial Supervisory Authority
Bucharest Stock Exchange

Current report in compliance with the stipulations of the Law no. 24/2017 and of the FSA Regulation no.5/2018 regarding the Issuers of financial instruments and market operations

Date of report: **August 12, 2020**
Name of issuer: **ALUM S.A.**
Headquarters: **Tulcea, 82 Isaccei Street, Tulcea County**
Telephone/ fax number: **+40 240 535 022 / +40 240 535 495**
Sole registration number at the Trade Register Office: **RO 2360405**
Trade Register Number: **J36/29/1991**
The European Unique Identifier (EUID): **ROONRCJ36/29/1991**
Legal Entity Identifier (LEI): **254900TPAV17KVG33J81**
Subscribed and paid-in share capital: **488,412,907.85 RON**
Regulated market on which the issued shares are traded: **AeRO** (**market symbol: BBGA)**
Class, type, number and main details about securities issued by ALUM S.A.: **82,086,203 shares at a nominal value of 5.95 lei/share**

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

Half-Year Report
for the six months ended 30 June 2020

ALUM S.A. ("ALUM") informs the shareholders and investors on the availability of the **Half-Year Report for the six months ended 30 June 2020**, prepared in compliance with the provisions of the Regulation no. 5/2018 issued by the Financial Supervisory Authority ("FSA") for issuers and operations with securities starting with **12 August 2020,** after **08:15 p.m. (Bucharest time)**.

ALUM Half-Year Report for the six months ended 30 June 2020 was prepared in accordance with the Ministry of Public Finance Order no. 2206/2020 for the approval of the Accounting Reporting System on 30 June 2020 for the economic operators, as well as for the modification and completion of some accounting regulations.

ALUM Half-Year Report for the six months ended 30 June 2020 is unaudited and is available on:

- ✓ Alum's website, category "Investor Relations", section "Reports": http://www.alum.ro/en/ir/alum/reports
- ✓ Bucharest Stock Exchange website, www.bvb.ro – symbol BBGA;

Gheorghe Dobra
Chairman of the Board of Directors

Duralia Mihaela
Chief Financial Officer

Report of the directors
and
their discharge from liabilities

- June 2020 -

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Report of the directors for first semester 2020 and their discharge from liabilities

1.1 Company orientation

The main goal of ALUM SA ("ALUM"/ "Company") is to continue its efforts to capitalize its human and material resources in order to be among the profitable and competitive companies on the alumina market. The Company aims to become a model of private plant, which will continue to bring important economical and social benefits both to Tulcea town and to the national economy

For this purpose the Company established the following main objectives:

- Investments with effect in decreasing production costs and increasing competitiveness, the environment protection and the corporate social responsibility active contribution;
- Upgrading its equipment to meet high economic efficiency;
- Providing raw materials and energy resources in the most advantageous economic terms;
- Diversification of products ranges and increasing the turnover and production volumes;
- Increasing the energetical efficiency for the entire production process;
- Retention of the current external clients and attraction of new clients by offering a diversified range of products;
- Continuous compliance with environmental rules;
- Development and implementation of new research and development projects.

1.1.1. The main development directions of ALUM

The development projects which are currently implemented by ALUM are briefly presented below:

1. Projects previously approved and under implementation consisting of:
- Acquisition and installation a disc filter for coarse seed;
- Filtering process control efficiency enhancing by acquiring and installing vertical filters;
- Increasing the storage capacity of the red mud pond by elevating the height of the perimetral dykes;
- Packaging, storage and distribution of new Alum products.
2. Projects to ensure operating conditions and safe continuity of the production process (maintenance capex):
- Investments for maintenance and improvement of equipment parameters - Alum (PPE) 2020;
- Replacing the obsolete equipment, Endowments 2020;
- Maintenance Capex (Consolidation foundations Precipitation tanks and White Filtration building).

1.1.2. Branch offices of ALUM

We mention that ALUM does not have fiscally registered branch offices.

1.2 Management and organizational culture

The management team promotes the values that define the Company's organizational culture and mainly:

- **Performance**
- In Alum continues the implementation of an efficient performance management system based on establishing department goals, derived from Company's goals, quantifiable and agreed between the managers and their subordinates
- **Competence**
- Main performance competences will be identified in close relation with Company's strategic objectives, by means of real, financial, operational and behaviour indicators. The existing strong

points that facilitate the implementation of this system consist in the good experience gathered in the field and in the human, financial and technical potential of the Company.

- **Rentability**, meaning the concern, on all decisional levels, for the increase of the profitability through measures that ensure the continuous improvement on technological, commercial at financial level
- **Ecological and social responsibility**, that presumes, among other things, the protection of the environment (compliance with the requirements from the Integrated Environmental Licence), the contribution to the local society development and for the general economic progress.

Alum's main goals regarding the environment are the following:

- Compliance with the environmental law adopted under the requirements of the European Directives and strictly respect all legal regulations applicable to the company;
- Continuous improvement of activities, processes, products and environmental performance;
- Preparation for emergencies situations and the ability to respond, organizing and conducting simulation exercises for incidents involving dangerous substances;
- Pollution prevention and combat the environmental factors through investments, organizational measures, maintenance and repairs and technological changes;
- Continuous monitoring of environmental aspects of production activity through weekly environmental programs.

Through its environmental policy, the Company creates the premises for the activity in the most demanding environmental standards set by the athorities.

Thus, in the first half of 2020:

- The environmental agreement was obtained for the new project for the increasing height of the dams from the red mud storage area (project made by UTCB Bucharest, Iprolam Bucharest). The elevation works of the left bank of the dam downstream of the sludge thickener are continued until the area where the guard height between the level of the sludge and the crown of the dam is 1,5 m.

On 30 June 2020, following the approval by the European Commission and in accordance with EU state aid legislation, of the Romania's plans to partially compensate large energy-consuming enterprises for higher electricity prices resulting from their indirect emission costs, in accordance with the EU Emissions Trading Scheme (ETS), the Alum recorded the amount of RON 10,776 th in the category Income from subsidies for operating expenses (H1 2019: 0)

1.3 Corporate social responsibility

The concept of corporate social responsibility (CSR) refers to the involvement of the companies in solving some of the problems of the communities where it operates.
The advantages of implementing the social responsibility management system are:

- Demonstrated commitment to business ethics, socially responsible;
- Protecting the brand;
- Enhanced reputation as a responsible corporate citizen;
- Consumers confidence and a positive perception of investors;
- A better employee morale;
- A properly working environment, safe and fair;
- Promoting the principles of a professional ethics;
- Improved working conditions;
- Commercial risk management;
- Differentiation from global competitors.

In order to implement CSR in Alum were made the following steps:

- The Company developed procedures for media relations as well as for the development of the grievance mechanism (petitions settlement procedure) and the organization of audiences. In this way the Company expresses its openness to listening and solving the community problems (employees, citizens, local authorities, companies collaborating, etc) and involvement in education and other activities of social utility.
- Were developed and distributed questionnaires about how the Company is perceived in various community organizations with which it comes into contact (public administration, financial and

banking institutions, cultural organizations and sports, religious, educational, environment protection, etc). In the feed-back received from collaborating organizations showed that Alum is actively involved in the local community life, with a positive and important influence.

- Questionnaires were developed and distributed to all the employees of the company (named "Employee Consultation Questionnaire on Quality, Environment, Occupational Health and Safety Issues") as part of ALUM's management strategy on the implementation of the integrated quality-environment-health and safety system occupational and energy. The purpose of these questionnaires is to achieve the improvement of the activity as well as the external recognition of the quality of the activities carried out within the company. In this way, the company will adopt the most appropriate policy in the field to meet the requirements of the system.
- Maintaining a continuous dialogue with the local community, ALUM representatives being actively involved as members of various organizations (The Red Cross in Romania, the County Commission for Equal Opportunities for Women and Men, the Local Development Committee of the Tulcea Social Partnership, the Tripartite Consultative Council set up at Tulcea County Labour Inspectorate etc.)

Beginning by 16th of March, 2020, considering the current exceptional situation caused globally by the COVID-19 virus, the establishment of the state of emergency in Romania and, subsequently, the state of alert, the preventive measures taken by the Romanian authorities, such as limitation of assemblies of persons and restrictions of movement, ALUM took as measure the usage of electronic/remote interaction means, to access the documents in electronic form and avoiding, as much as possible, to have them transmitted in hard copy, by regular mail, courier services or to personally pick them up from the Company's headquarters.
Also, the Company also applied the restrictions imposed by the legislation in force regarding the limitation of the number of participants in events held indoors (ordinary GSM meeting, working meetings etc.), only according to the express decisions taken by the authorities.
During same period, ALUM demonstrated its Innovative Capability in COVID-19 effect prevention measures. Thus, a liquid hand disinfectant was developed in ALUM's Research and Development Laboratory based on the local production guide of the World Health Organization. After passing the tests of bactericidal and fungicidal activity of the National Institute for Medical-Military Research-Development "Cantacuzino", the new product obtained the approval of this institute on 01.07.2020 (approval no A-5695/01.07.2020).
In order to protect the employees, ALUM provided medical and protective equipment, constantly disinfected and sanitized all the common areas, implemented alternative/ rotational shifts to minimize the interaction and working from home programs for the employees that can perform their activity remotely. Moreover, the Company has been among the first in Romania to install disinfectant curtains in the entryway and temperature scanners in the access points.
Other measures and actions taken by ALUM with respect to pandemic:

- To ensure its operations run safely and in normal parameters, ALUM activated a Business Continuity Plan, while performing numerous simulations in which one or more employees would be infected with COVID-19.
- Donation of RON 100,000 to Tulcea County Hospital for protective and medical equipment, antiviral medication, mechanical ventilation devices and monitoring of vital functions, supporting thus the efforts of the authorities to combat the spreading of the COVID-19 virus.
- Currently, ALUM's management closely observes the evolution of the pandemic and all the directives and guidance from the Romanian Government and international organizations to do the best for the employees, suppliers and clients.

In 2020 Alum, as an active partner of the local community, activated on the social plan on multiple directions, by:

- Ensuring, through the offered work conditions, the compliance with the human rights, the equality and the welfare of its employees. In this regard, the recruitment, the selection and the hiring of the work force are made, mainly, from Tulcea county. Also, the percentage of women employees increased from 10% in 2010 to 16.46% in the present;
- collecting funds for gifts offered during the Easter holidays for the old people from the social homes in Tulcea;
- collecting clothes, toys, food for low-income families with several children
- Continuing a partnership with a local instructor to offer free swimming lessons for Alum's employees children and supporting their participation in sports competitions (swimming, triathlon, etc).

1.4 Internal control

Company's internal control aimes at ensuring:
- Compliance with the existing law;
- Implementation of decisions taken by the Company's management;
- Proper functioning of the internal affairs of the Company;
- Reliability of financial information;
- The effectiveness of its operations;
- Efficient use of resources;
- Prevention and control of risks of not achieving the objectives set.

As a result, the main objectives of the internal control procedures:
- On one hand, the Company's business registration and tracking behavior of staff within the framework defined by applicable laws, values, rules and internal rules of society;
- On the other hand, checking whether the accounting, financial and business management information communicated accurately reflect the situation of society.

Control activities are an integral part of the process by which the entity seeks to achieve management objectives. Control concerns the application of rules and internal control procedures at all levels: approval, authorization, verification, assessment of operational performance, asset security, separation of functions.

1.5 Financial risk management policies

a) Currency risk

The Company is exposed to foreign exchange risk because the predominant part of its sales of alumina is denominated in or linked to the USD while the vast majority of its operating costs (such as power costs, wages, etc.) are denominated in or linked to the RON. The currency exposure is related to the fact that most of the Company's receivables are linked to USD of EUR while the liabilities are denominated in RON. The Company is therefore exposed to the risk that movements in the RON/USD exchange rates will affect both its net income and financial position, as expressed in RON.

b) Interest rate risk on cash flow and fair value

Interest rate risk on cash flow is a risk that future cash flows will fluctuate because of changes in market interest rates.
The interest rate risk is the risk that the value of a financial instrument would fluctuate as a result of the variation of the interest rates on market. Financial instruments are bearing interest at market rate, therefore it is considered that their fair values do not differ significantly from book values.

On 17 May 2018, Alum concluded a loan in amounting to USD 20 million with Black Sea Trade and Development Bank and USD 5 million with Garanti Bank Romania S.A., respectively. The scope of these loan facilities are mainly investments, and they will be repaid in seven half-yearly instalments after a grace period of two years. On 30 June 2020 the amounts have been withdrawn in totality and the first installments were reimbursed. The company's bank loans are due until 2023. In 2020, interest rates ranged from 3.66% și 5.40% (2019: 5.05% to 6.39%).
As of June 30th 2020 Alum was in compliance with the financial covenants.

c) Credit risk

The credit risk represents the risk that one of the parties participating in the financial instrument will fail to fulfill an obligation, thus causing a financial loss to the other party.
Financial assets that expose the Company to the potential credit risk concentrations comprise mainly receivables from the main activity. The Company has policies to ensure that sales are to customers with appropriate references on their creditworthiness. Date of maturity of debt is carefully monitored and the overdue amounts are promptly pursued. These are presented at the net adjusting value for uncertain receivables.

d) Liquidity risk

The liquidity risk, also named financing risk, is the risk that a plant has difficulties in accumulating funds in order to fulfill the obligations related to the financial instruments. The liquidity risk can arise from the inability to sell quickly a financial asset at a value close to its actual value.
Prudent liquidity risk management implies maintaining sufficient cash and available credit lines, through continuous monitoring of estimated and real cash flows and matching the estimated maturities of financial assets and liabilities. Due to the nature of the business, the Company seeks to maintain flexibility in funding opportunities, including majority shareholder support.

e) Fair value of financial instruments

Fair value is the amount a financial instrument can be traded, voluntarily, between informed parties, in a transaction whose price is determined objectively.
Specific methods of recognition are presented in Company's policies for each item. The carrying values of financial instruments at balance sheet date approximates their fair values, as listed in the Company's accounting policies and as OMF no. 1802/2014 amended.
The Company does not use financial instruments traded in active markets.

1.6 Market

In the first semester 2020 Alum had a turnover in amount of 339,278 th RON structured as follows:

✓ Sales of alumina	290,244	th RON
✓ Sales of hydrate	47,724	th RON
✓ Revenues from sales of scrap iron and wastes	538	th RON
✓ Revenues from sales of utilities	469	th RON
✓ Other revenues	303	th RON

While primarily supplying alumina to the Group, Alum also sells aluminium hydrate and other alumina special products (including calcined alumina with different granulations, alumina "low soda" and alpha-alumina) to third party customers. In H1 2020, approximately 80% of alumina produced by Alum (H1 2019: 77%) was delivered to Alro, while 20% (H1 2019: 23%) was sold to external customers through spot contract sales, 92% of which were located outside Romania (H1 2019: 96%).

1.7 Competition

The competition on the alumina market is given by the sale price and quality of products. In order to get an as big as possible market share, each producer supports the marketing strategy with investments in technology and continuous modernization of the production process.

Under the circumstances of a more and more competitive global market, ALUM must continue the strategy for reducing the production cost by means of reducing consumptions (development of new ecological technologies), promoting the products and investing in human capital and development of new, competitive and high added value products.

In this respect, under the financing contract signed on 8 September 2016, Alum SA launched a project (SMIS 2014+) co-financed under the European Regional Development through Operational Program of Competitiveness 2014-2020 " Investing in Sustainable Development ".

The equipments purchased in 2018 within these investment projects were placed into operation in 2019 and the subsidies received are recognized as income on a straight line basis during the useful life of the equipments.

1.8 Shareholding structure and share capital

SHAREHOLDERS	Number of shares	Owned percentage (%)
ALRO SA SLATINA	81,595,860	99.4026
Other shareholders – natural persons	487,778	0.5942
Other shareholders – legal persons	2,565	0.0031
TOTAL	**82,086,203**	**100**

On 30.06.2020, the share capital is of 488.412.908 RON and the number of issued shares 82.086.203.

2.1 Status of synthetic indicators defining company's activity as compared to the income and expenditure budget

SYNTHETIC INDICATORS	BUDGET H1 2020	ACTUAL H1 2020	Difference as compared to Budget	%
	RON	RON	RON	
TURNOVER	**349,716,674**	**339,278,257**	**(10,438,417)**	**97**
TOTAL OPERATING REVENUES	**353,940,742**	**364,592,835**	**10,652,093**	**103**
TOTAL OPERATING EXPENSES	**345,096,051**	**331,157,835**	**(13,938,216)**	**96**
of which:- raw material and material expenses	197,276,276	194,396,169	(2,880,107)	99
- other expenses (inventory objects)	184,865	941,902	757,037	510
- energy, gas and water expenses	88,078,874	76,699,546	(11,379,328)	87
- staff expenses	30,461,679	30,826,431	364,752	101
- depreciation expenses	12,129,656	12,120,088	(9,568)	100
- third parties services	16,964,701	14,153,807	(2,810,894)	83
- merchandise expenses	-	71,057	71,057	
- other expenses (penalties, disposal of fixed assets)	-	1,373,926	1,373,926	
- value adjustments	-	574,908	574,908	
Operating result	**8,844,691**	**33,435,000**	**24,590,309**	**378**
FINANCIAL REVENUES	-	20,911,780	20,911,780	
FINANCIAL EXPENSES	3,198,438	22,999,982	19,801,544	719
Financial result	**(3,198,438)**	**(2,088,202)**	**1,110,236**	**65**
TOTAL REVENUES	353,940,742	385,504,615	31,563,873	109
TOTAL EXPENSES	348,294,489	354,157,817	5,863,328	102
GROSS PROFIT	**5,646,253**	**31,346,798**	**25,700,545**	**555**
PROFIT TAX	881,963	5,140,661	4,258,698	**583**
SPECIFIC TAX	42,875	16,152	(26,723)	**38**
NET PROFIT	**4,721,415**	**26,189,985**	**21,468,571**	**555**

The turnover was below the budgeted value mainly due to lower quantities of alumina sold in the first semester 2020, the main variations being as follows:

		Value:	
- turnover	**-**	**10,438**	**th RON**
The difference from forecasts was mainly determined by:			
- alumina sales	-	15,168	th RON
- hydrate sales	+	3,419	th RON
- revenues from scrap sales	+	538	th RON
- revenues from utilities sales	+	469	th RON
- other operating revenues	+	303	th RON
- **other operating revenues:**			
- revenues from sale of CO2 certificates	+	23,538	th RON
- revenues from fixed assets	+	200	th RON
- revenues from stored production	-	4,858	th RON
- other operating revenues	+	814	th RON

Operational expenses have been lower than the budget by RON 13,938 thousand due, mainly, to the decrease of the alumina production with 8,142 mt compared to the budget, the main variations being as follows:

		Value:	
- raw materials and materials expenses, out of which:	-	2,880	th RON
- raw materials expenses	-	298	th RON
- other material expenses (fuel, spare parts, auxiliary materials)	-	2,582	th RON
- energy and water expenses	-	907	th RON
- natural gas expenses	-	10,472	th RON
- goods expenses	+	71	th RON
- staff expenses	+	365	th RON
- value adjustments (provisions)	-	575	th RON
- depreciation expenses	-	10	th RON
- other operating expenses (sponsorships, taxes, work protection)	-	21	th RON
- other expenses (penalties, ceased assets, social aids other operating expenses)	+	1,374	th RON
- third parties services (commissions, insurrances, transport, processing. advertising, import – export services, etc.)	-	2,832	th RON

➢ As for the financial revenues, they were excedeed by 20,912 th RON, being due to:

		Value:	
✓	revenues from exchange rate differences	+ 20,395	th RON
✓	revenues from interests	+ 517	th RON

➢ Financial expenses were exceded by 19,802 th RON and factorially, they were due to:

		Value:	
✓	expenses with exchange rate differences	+ 19,203	th RON
✓	expenses with interests	+ 599	th RON

Concluding, at the end of first semester 2020 ALUM registered a net profit of 26,190 th RON compared to the budgeted profit of 4,721 th ron.

We mention that the financial statements for the first semester 2020 have not been audited.

❖ **Fiscally non-deductible expenses**

The fiscally non-deductible expenses amount to 1.87 million RON of which the most important are the following:
- depreciation expenses for fixed assets revalued in 2009 in amount of 0.21 million RON
- depreciation expenses for fixed assets revalued in 2012 in amount of 0.17 million RON
- depreciation for the value adjustment for the estimated expenses to close the red mud lake 0.76 million RON
- other fiscally non-deductible expenses (compensations, amortization of fixed assets written off, interest for the value adjustment for the estimated expenses to close the red mud lake, fines, penalties, resident, fuel) in the amount of 0.63 million RON

❖ **Investments**

ALUM has forecasted and approved for 2020 an investment program in amount of 5,081 th, USD, splitted on the following main projects:

No.	Investment project	Value (th, $)
1	Acquisition and installation a disc filter for coarse seed	283
2	Filtering process control efficiency enhancing by acquiring and installing vertical filters	1,367
3	Increasing the storage capacity of the red mud pond by elevating the height of the perimetral dykes	700
4	Packaging, storage and distribution of new Alum products	120
5	Investments for maintenance and improvement of equipment parameters - Alum (PPE) 2020	886
6	Replacing the obsolete equipment, Endowments 2020	855
7	Maintenance Capex (Consolidation foundations Precipitation tanks and White Filtration building)	871
TOTAL		**5,081**

In the first six months 2020 Alum spent the amount of 1,911 th. USD for the planned investments.

❖ **Litigations status**

On 30.06.2020 ALUM is involved in various litigations for which on the basis of the legal consulting provided by the Company's lawyers, the management considers that won't have negative effects on the results or on the financial postion of the Company.
As of June 30th, 2020 the Company had in its balance the amount of 231,493 RON for uncertain clients or under litigation, amount for which value adjustment is registered.

2.2 Economic indicators chart

Indicator	**30.06.2019**	**30.06.2020**
1. Liquidity indicators		
Current liquidity indicator – index	3.78	3.35
Immediate liquidity indicator - index	0.23	0.75
2. Risk indicators		
Indebtness degree indicator - index	23.64	15.07
Interest coverage indicator – index	23.29	9.25
3. Activity indicators (management indicators)		
Inventory turnover – no. turnovers	0.94	0.85
Number of days of storage - days	389.16	429.76
Rate of debit turnover – clients - days	8.44	50.16
Rate of credit turnover – supplier – days	43.91	29.64
Rate of fixed assets turnover – no. turnovers	2.16	1.85
Rate of total assets turnover – no. turnovers	0.63	0.53
4. Profitability indicators		
Rentability of engaged capital – index	0.18	0.07
Gross margin from sales - %	20.56	9.85
5. Share result indicators		
Result per share – RON / share	0.85	0.32

Analyzing the economic – financial indicators from the balance sheet elements rate of turnover, the following conclusions may be drawn:

- the inventory turnover decreased as compared to the previous year due to the increase of stocks and the decrease of the cost of sales;
- as regards the receivables recovery period, respectively the period for reimbursing the debts, ALUM collects its receivables at 50 days and pays its commercial debts at 30 days.
- regarding the fixed assets turnover, it decreased due to decrease of the turnover and the increase of the fixed assets.
- the turnover of the total assets decreased due to the decrease of the turnover and the increase of total assets.

2.3 Discharging from liabilities of the Board of Directors for first semester 2020

For the period 01.01.2020 – 30.06.2020 based on the Decision of the General Shareholders Meeting no. 43/09.08.2019, the Board of Directors consisted of:

1. Dobra Gheorghe	-	Chairman
2. Barabanov Alexandr	-	Vice Chairman
3. Cilianu Marin	-	Member
4. Popa Ioan	-	Member
5. Duralia Mihaela	-	Member

We propose the discharge from liabilities of the Board of Directors of ALUM SA Tulcea for the first semester 2020.

CHAIRMAN OF THE BOARD OF DIRECTORS
PhD Eng Gheorghe Dobra

UNIT: **ALUM S.A. TULCEA**
COUNTY TULCEA
VAT NO : RO2360405
TRADE REGISTRY NO: J/36/29/1991
ADRESS: Loc TULCEA, 82, ISACCEI Street
Telephone: 0240 535022; Fax: 0240 535495

Code 10 No.		Row	Balance at: 01/01/2020	30.06.2020
A	**NON-CURRENT ASSETS**			
I	Intangible assets	01	42.597	17.149
II	Property, plant and equipment	02	187.241.899	182.927.913
III	Financial assets	03	-	-
	Total NON-CURRENT ASSETS (rows 01+02+03)	**04**	**187.284.496**	**182.945.062**
B	**CURRENT ASSETS**			
I	Inventories	05	399.963.473	355.727.060
II.1	Creanţe	06a	23.680.568	81.365.154
II.2	Receivables representing dividends distributed during the financial year	06b	-	-
II	TOTAL	06	23.680.568	81.365.154
III	Short term financial investments	07	-	-
IV	Petty cash and bank accounts	08	1.512.397	18.860.895
	TOTAL CURRENT ASSETS (rows 05+06+07+08)	**09**	**425.156.438**	**455.953.109**
C	**PREPAID EXPENSES (rows 11+12)**	**10**	**1.834.214**	**2.477.692**
	Amounts to be resumed within 1 year	11	1.834.214	2.477.692
	Amounts to be resumed within a period >1 year	12	-	-
D	**PAYABLES WITHIN 1 YEAR**	**13**	**121.794.036**	**136.755.117**
E	**NET CURRENT ASSETS/NET CURRENT LIABILITIES (rows 09+11-13-20-23-26)**	**14**	**304.817.836**	**321.296.904**
F	**TOTAL ASSETS LESS CURRENT LIABILITIES (rows 04+12+14)**	**15**	**492.102.332**	**504.241.966**
G	**LONG TERM PAYABLES**	**16**	**76.602.287**	**62.407.434**
H	**PROVISIONS**	**17**	**26.955.485**	**27.289.377**
I	**DEFERRED INCOME (rows 19+22+25+28)**	**18**	**5.334.485**	**5.145.095**
	1 Subsidies for investments (rows 20+21)	19	5.334.485	5.145.095
	Amounts to be resumed within 1 year	20	378.780	- 378.780
	Amounts to be resumed within a period >1 year	21	4.955.705	- 4.766.315
	2 Deferred income (rows 23+24)	22	-	- -
	Amounts to be resumed within 1 year	23	-	- -
	Amounts to be resumed within a period >1 year	24	-	- -
	3 Deferred income for assets transferred from clients (rows 26+27)	25	-	- -
	Amounts to be resumed within 1 year	26	-	- -
	Amounts to be resumed within a period >1 year	27	-	- -
	4 Negative goodwill	28	-	- -
J	**EQUITY AND RESERVES**			
I	**Equity**	**29**	**488.412.908**	**488.412.908**
	1 Capital subscribed and paid in	30	488.412.908	488.412.908
	2 Capital subscribed and not paid in	31	-	-
	3 Company patrimony	32	-	-
	4 Patrimony of national research institute	33	-	-
	5 Other equity items	34	-	-
II	**Share premiums**	**35**	**-**	**-**
III	**Revaluation reserves**	**36**	**36.052.175**	**33.654.265**
IV	**Reserves**	**37**	**16.953.792**	**18.521.132**

Code 10 No.		Row	Balance at: 01/01/2020	30.06.2020
	Own shares	38	-	-
	Gains related to equity instruments	39	-	-
	Losses related to equity instruments	40	-	-
V	**PROFIT OR LOSS CARRIED FORWARD**			
	– Cr balance	**41**	-	-
	– Dr balance	**42**	229.553.827	155.432.110
VI	**PROFIT OR LOSS FOR THE YEAR**			
	– Cr balance	**43**	76.315.201	26.189.985
	– Dr balance	**44**	-	-
	Allocation of profit	**45**	4.591.394	1.567.340
	Total equity (rows 29+35+36+37-38+39-40+41-42+43-44-45)	**46**	**383.588.855**	**409.778.840**
	Public patrimony	**47**	-	-
	Private patrimony	**48**	-	-
	TOTAL EQUITY AND RESERVES (rows 46+47+48)(rows 04+09+10-13-16-17-18)	**49**	**383.588.855**	**409.778.840**

Gheorghe Dobra
General Manager

Mihaela Duralia
Chief Financial Officer

UNIT: **ALUM S.A. TULCEA**
COUNTY TULCEA
VAT NO : RO2360405

TRADE REGISTRY NO: J/36/29/1991

ADRESS: Loc TULCEA, 82, ISACCEI Street
Telephone: 0240 535022; Fax: 0240 535495

Code 20 **Actual**

No		Row	01.01.2019 - 30.06.2019	01.01.2020 - 30.06.2020
1	**Net turnover (rd. 02+03-04+05+06)**	**01**	**385.062.301**	**339.278.257**
	Income from production sold	**02**	385.038.114	339.111.573
	Income from sales of goods	**03**	24.187	166.684
	Commercial discounts granted	**04**	-	-
	Interest income recorded by entities removed from the General Register and who have ongoing leases	**05**	-	-
	Income from operating subsidies pertaining to net turnover	**06**	-	-
2	Income pertaining to the cost of the Work in progress		-	-
	– Cr balance	**07**	18.181.551	(10.642.690)
	– Dr balance	**08**	-	-
3	Production for own purposes and capitalized	**09**	-	199.578
4	Income from revaluation of tangible assets	**10**	-	-
5	Income from property investment production	**11**	-	-
6	Income from subsidies	**12**	-	10.775.936
7	Other operating income	**13**	63.923.085	24.981.754
	out of which, income from negative goodwill	**14**	-	-
	out of which, income from subsidies for investments	**15**	175.361	189.390
	Total operating income (rows 01+07-08+09+10+11+12+13)	**16**	**467.166.937**	**364.592.835**
8	a) Raw materials and consumables	**17**	233.600.158	194.396.169
	Other material expenses	**18**	86.114.265	61.440.580
	b) Other external expenses (power and water supply)	**19**	11.653.208	15.794.490
	c) Merchandise expenses	**20**	1.726	71.057
	Commercial discounts received	**21**	49.119	-
9	**Personnel related expenses (rows 23+24)**	**22**	**30.827.049**	**30.826.431**
	a) Salaries and bonuses	**23**	29.347.891	29.563.244
	b) Social security	**24**	1.479.158	1.263.187
10	**a) Adjustments for tangible and intangible assets (rows 26-27)**	**25**	**9.017.034**	**12.694.996**
	a. 1) Expenses	**26**	10.907.089	12.694.996
	a. 2) Revenues	**27**	1.890.055	-
	b) Adjustments for current assets (rows 29-30)	**28**	**-**	**-**
	b. 1) Expenses	**29**	0	0
	b. 2) Revenues	**30**	0	0

Code 20 **Actual**

No		Row	01.01.2019 - 30.06.2019	01.01.2020 - 30.06.2020
11	**Other operating expenses (rows 32 to 38)**	**31**	**16.840.370**	**15.934.113**
	11.1. External services	**32**	14.353.499	13.235.477
	11.2. Other taxes and similar payments	**33**	968.962	918.330
	11.3. Expenses on environmental protection	**34**	330.120	409.837
	11.4. Expenses from revaluation of tangible assets	**35**	-	-
	11.5. Expenses related to calamities and other similar events	**36**	-	-
	11.6. Other expenses	**37**	1.187.789	1.370.468
	Refinancing interest expense recorded by entities removed from the General Register and who have ongoing leases	**38**	-	-
	Impairment adjustments (rows40-41)	**39**	**-**	**-**
	Expenses	**40**	-	-
	Income	**41**	-	-
	Total operating expenses (rows 17 la 20-21+22+25+28+31+39)	**42**	**388.004.691**	**331.157.835**
	Operating Result			
	- profit (rows 16-42)	**43**	79.162.246	33.435.000
	- loss (rows 42-16)	**44**	-	-
			-	-
12	Income from participating interests	**45**	-	-
	- of which, income from affiliates	**46**	-	-
			-	-
13	Interest income	**47**	15.085	1.937
	- of which, income obtained from affiliates	**48**	14.484	-
			-	-
14	Income from other financial investments and loans part of the non-current assets	**49**	-	-
			-	-
15	Other financial income	**50**	22.000.462	20.909.843
	- of which, income from affiliates	**51**	-	-
	Total financial income (rows 45+47+49+50)	**52**	**22.015.547**	**20.911.780**
16	Adjustments for long term financial assets and financial investments held as current assets (rows 54-55)	**53**	-	-
	Expenses	**54**	-	-
	Income	**55**	-	-
			-	-
17	Interest expenses	**56**	3.691.921	3.797.476
	- of which, expenses incurred with affiliates	**57**	-	-
	Other financial expenses	**58**	15.182.948	19.202.506
	Total financial expenses (rows 53+56+58)	**59**	**18.874.869**	**22.999.982**
	Financial profit or loss			
	- profit (rows 52-59)	**60**	3.140.678	-
	- loss (rows 59-52)	**61**	-	2.088.202
			-	-
	Total income (rows 16+52)	**62**	**489.182.484**	**385.504.615**
	Total expenses (rows 42+59)	**63**	**406.879.560**	**354.157.817**

Code 20 **Actual**

No		Row	01.01.2019 - 30.06.2019	01.01.2020 - 30.06.2020
18	**Gross profit or loss**			
	- profit (rows 62-63)	**64**	82.302.924	31.346.798
	- loss (rows 63-62)	**65**	-	-
19	Income tax	**66**	12.626.055	5.140.661
20	Income tax specific to certain activities (account 695)	**67**	21.438	16.152
21	Other taxes not included in the captions above	**68**	-	-
22	**Net profit or loss for the year**			
	- profit (rows 64-65-66-67-68)	**69**	69.655.431	26.189.985
	- loss (rows 65+66+67+68-64)	**70**	-	-

Gheorghe Dobra
General Manager

Mihaela Duralia
Chief Financial Officer