

ALRO AND SUBSIDIARIES

PRELIMINARY CONSOLIDATED AND SEPARATE FINANCIAL RESULTS

for the year ended
31 December 2025

Note: the preliminary financial figures presented in this document are reported in accordance with the Order of the Minister of Public Finance no. 2844/2016, with subsequent amendments, which is as per the International Financial Reporting Standards (IFRS) as adopted by the European Union, except for *IAS 21 The Effects of Changes in Foreign Exchange Rates* regarding the functional currency, for the provisions of *IAS 20 Accounting for Government Grants* regarding the recognition of revenues from green certificates, except for *IFRS 15 Revenue from Contracts with Customers* regarding the revenues from the taxes related to the distribution grid connection 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 conformity with IFRS of the preliminary financial figures of the Group and the Company.

The preliminary financial figures are not audited. Consequently, the final financial statements for the year 2025 may differ from these.

The functional and the presentation currency is the Romanian leu (RON). This report is prepared in RON thousand, rounded to the nearest unit.

This is a free translation from the original Romanian binding version

Alro
Separate statement of profit or loss and other comprehensive income for the year 2025 - unaudited
in RON '000, except stated otherwise

Alro stand alone			Note	Alro stand alone	
Q4 2025	Q4 2024			2025	2024
849,230	826,261	Revenue from contracts with customers	1	3,645,334	3,202,739
-820,189	-783,490	Cost of goods sold	2	-3,527,852	-3,081,222
29,041	42,771	Gross result	3	117,482	121,517
-104,458	-124,956	General, administrative and selling expenses		-346,854	-313,205
-68,143	423	Impairment of investments in subsidiaries	4	-68,734	-
-59,180	56,314	Other operating income	5	178,911	439,519
-26,906	-17,489	Other operating expenses	6	-37,075	-30,128
-229,646	-42,937	Operating result (EBIT)	7	-156,270	217,703
-29,380	-34,229	Interest expenses		-115,771	-122,990
1,271	1,530	Other financial income		8,837	5,168
-7,220	-8,157	Other financial costs		-30,304	-32,803
-4,887	-51,757	Net foreign exchange (losses) / gains	8	66,037	-40,906
967	131	Share of result of associates		2,412	-300
-268,895	-135,419	Result before income taxes		-225,059	25,872
34,855	42,000	Income tax		14,091	-10,551
-234,040	-93,419	Result for the period	9	-210,968	15,321
		Other comprehensive income / (expense), net of tax:			
		<i>Items that will not be reclassified subsequently to profit or loss</i>			
-1,261	-3,310	Remeasurements of post-employment benefit obligations		-1,261	-3,310
202	530	Income tax on items that will not be reclassified		202	530
-1,059	-2,780	Other comprehensive income / (expense) for the period, net of tax		-1,059	-2,780
-235,099	-96,199	Total comprehensive income / (expense) for the period		-212,027	12,541
		Earnings / (losses) per share			
-0.328	-0.131	Basic and diluted (RON)		-0.296	0.021

Alro Group

Consolidated statement of profit or loss and other comprehensive income for the year 2025 - unaudited in RON '000, except stated otherwise

Alro Group			Alro Group		
Q4 2025	Q4 2024		Note	2025	2024
917,683	865,903	Revenue from contracts with customers	1	3,895,743	3,408,037
-883,136	-815,208	Cost of goods sold	2	-3,740,359	-3,231,134
34,547	50,695	Gross result	3	155,384	176,903
-92,331	-141,636	General, administrative and selling expenses		-368,651	-367,411
-58,644	55,684	Other operating income	5	178,711	472,470
-90,106	-27,549	Other operating expenses	6	-112,494	-56,825
-206,534	-62,806	Operating result (EBIT)	7	-147,050	225,137
-30,483	-35,335	Interest expenses		-118,847	-125,560
440	-	Gains from derivative financial instruments, net		367	-
1,310	1,641	Other financial income		9,073	6,135
-7,508	-8,750	Other financial costs		-31,623	-35,027
-4,937	-51,898	Net foreign exchange (losses) / gains	8	65,845	-41,108
-241	131	Share of result of associates		2,406	-300
-247,953	-157,017	Result before income taxes		-219,829	29,277
33,727	40,555	Income tax		7,442	-18,940
-214,226	-116,462	Result for the period		-212,387	10,337
Other comprehensive income / (expense), net of tax:					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
-1,246	-2,893	Remeasurements of post-employment benefit obligations		-1,246	-2,893
190	482	Income tax on items that will not be reclassified		190	482
-1,056	-2,411	Other comprehensive (expense) / income for the period, net of tax		-1,056	-2,411
-215,282	-118,873	Total comprehensive income / (expense) for the period		-213,443	7,926
Result attributable to:					
-213,858	-116,433	Shareholders of Alro SA		-211,953	10,324
-368	-29	Non-controlling interest		-434	13
-214,226	-116,462	Total comprehensive income / (expense) attributable to:		-212,387	10,337
-214,914	-118,845	Shareholders of Alro S.A.		-213,009	7,912
-368	-28	Non-controlling interest		-434	14
-215,282	-118,873	Total comprehensive income / (expense) attributable to:		-213,443	7,926
Earnings / (losses) per share					
-0.301	-0.164	Basic and diluted (RON)		-0.298	0.014

Alro

Separate statement of financial position as of 31 December 2025 - unaudited
in RON '000

Alro Stand-alone

	Note	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment		764,439	732,266
Investment properties		3,215	3,705
Intangible assets		2,393	3,001
Investments in subsidiaries	4	75,731	144,178
Equity accounted investments		218,615	216,202
Right-of-use assets		11,167	5,438
Deferred tax asset		102,596	86,564
Other non-current financial assets	10	147,336	182,214
Total non-current assets		1,325,492	1,373,568
Current assets			
Inventories		796,145	705,678
Trade receivables, net		127,748	86,076
Current income tax receivable		4,025	-
Other current financial assets	5	252,440	351,789
Other current non-financial assets		54,803	83,274
Restricted cash	10	36,000	-
Cash and cash equivalents		236,732	423,320
Total current assets		1,507,893	1,650,137
Total assets		2,833,385	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		118,263	104,001
Result for the period	9	-210,968	15,321
Total shareholders' equity		669,874	881,901
Non-current liabilities			
Bank and other loans, non-current	10	568,132	1,441,947
Leases, non-current		7,752	3,495
Provisions, non-current		3,032	2,901
Post-employment benefit obligations		28,779	26,686
Government grants, non-current portion		19,321	22,125
Other non-current financial liabilities		718	724
Total non-current liabilities		627,734	1,497,878
Current liabilities			
Bank and other loans, current	10	878,638	83,848
Leases, current		3,054	1,995
Provisions, current		35,381	28,257
Trade and other payables	2	529,122	428,521
Contract liabilities		36,651	38,609
Current income taxes payable		-	6,553
Government grants, current portion		3,454	3,454
Other current liabilities		49,477	52,689
Total current liabilities		1,535,777	643,926
Total liabilities		2,163,511	2,141,804
Total shareholders' equity and liabilities		2,833,385	3,023,705

Alro Group

Consolidated statement of financial position as of 31 December 2025 - unaudited

in RON '000

		Alro Group	
	Note	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment		888,767	919,667
Investment properties		509	541
Intangible assets		3,231	3,386
Equity accounted investments		218,626	216,202
Goodwill		15,834	15,834
Right-of-use assets		13,507	6,945
Deferred tax asset		107,121	90,851
Other non-current financial assets	10	150,216	184,612
Total non-current assets		1,397,811	1,438,038
Current assets			
Inventories		959,447	877,180
Trade receivables, net		90,700	79,302
Current income tax receivable		4,090	229
Other current financial assets	5	274,739	378,396
Other current non-financial assets		32,428	43,151
Derivative financial instruments asset, current		367	-
Restricted cash	10	36,126	55
Cash and cash equivalents		247,517	431,303
Total current assets		1,645,414	1,809,616
Total assets		3,043,225	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		176,484	167,216
Result for the period	9	-211,953	10,324
Equity attributable to shareholders of Alro S.A.		797,022	1,010,031
Non-controlling interest		74	508
Total shareholders' equity		797,096	1,010,539
Non-current liabilities			
Bank and other loans, non-current	10	573,501	1,452,321
Leases, non-current		8,747	3,853
Provisions, non-current		26,136	26,057
Post-employment benefit obligations		30,565	28,275
Government grants, non-current portion		29,191	33,294
Other non-current financial liabilities		2,019	7,521
Total non-current liabilities		670,159	1,551,321
Current liabilities			
Bank and other loans, current	10	883,895	96,069
Leases, current		3,668	2,400
Provisions, current		35,510	28,796
Trade and other payables	2	550,643	443,242
Contract liabilities		37,610	39,161
Current income taxes payable		1,756	8,486
Government grants, current portion		4,752	4,752
Other current liabilities		58,136	62,888
Total current liabilities		1,575,970	685,794
Total liabilities		2,246,129	2,237,115
Total shareholders' equity and liabilities		3,043,225	3,247,654

Alro

Separate statement of changes in equity for the year 2025 - unaudited

in RON '000

	Share capital	Share premium	Other reserves	Retained earnings	Result for the period	Total
Balance at 1 January 2024	370,037	86,351	306,191	645,897	-539,116	869,360
Result for the period	-	-	-	-	15,321	15,321
Other comprehensive income / (expense)						
Remeasurements of post-employment benefits	-	-	-	-3,310	-	-3,310
Deferred tax on benefits remeasurement	-	-	-	530	-	530
Total other comprehensive income / (expense)	-	-	-	-2,780	-	-2,780
Total comprehensive income / (expense)	-	-	-	-2,780	15,321	12,541
Appropriation of prior year result	-	-	-	-539,116	539,116	-
Balance at 31 December 2024	370,037	86,351	306,191	104,001	15,321	881,901
Balance at 1 January 2025	370,037	86,351	306,191	104,001	15,321	881,901
Result for the period	-	-	-	-	-210,968	-210,968
Other comprehensive income / (expense)						
Remeasurements of post-employment benefits	-	-	-	-1,261	-	-1,261
Deferred tax on benefits remeasurement	-	-	-	202	-	202
Total other comprehensive income / (expense)	-	-	-	-1,059	-	-1,059
Total comprehensive income / (expense)	-	-	-	-1,059	-210,968	-212,027
Appropriation of prior year result	-	-	-	15,321	-15,321	-
Balance at 31 December 2025	370,037	86,351	306,191	118,263	-210,968	669,874

Alro Group

Consolidated statement of changes in shareholders' equity for the year 2025 - unaudited

in RON '000

			Other reserves					
	Share capital	Share premium	Other reserves	Retained earnings	Result for the period	Attributable to shareholders of Alro SA	Non-controlling interests	Total shareholders' equity
Balance at 1 January 2024	370,037	86,351	375,866	730,129	-560,264	1,002,119	494	1,002,613
Result for the period	-	-	-	-	10,324	10,324	13	10,337
Other comprehensive income / (expense)								
Remeasurements of post-employment benefits	-	-	-	-2,894	-	-2,894	1	-2,893
Deferred tax on benefits remeasurement	-	-	-	482	-	482	-	482
Other comprehensive income / (expense)	-	-	-	-2,412	-	-2,412	1	-2,411
Total comprehensive income / (expense)	-	-	-	-2,412	10,324	7,912	14	7,926
Appropriation of prior year result	-	-	237	-560,501	560,264	-	-	-
Balance at 31 December 2024	370,037	86,351	376,103	167,216	10,324	1,010,031	508	1,010,539
Balance at 1 January 2025	370,037	86,351	376,103	167,216	10,324	1,010,031	508	1,010,539
Result for the period	-	-	-	-	-211,953	-211,953	-434	-212,387
Other comprehensive income / (expense)								
Remeasurements of post-employment benefits	-	-	-	-1,246	-	-1,246	-	-1,246
Deferred tax on benefits remeasurement	-	-	-	190	-	190	-	190
Other comprehensive income / (expense)	-	-	-	-1,056	-	-1,056	-	-1,056
Total comprehensive income / (expense)	-	-	-	-1,056	-211,953	-213,009	-434	-213,443
Appropriation of prior year result	-	-	-	10,324	-10,324	-	-	-
Balance at 31 December 2025	370,037	86,351	376,103	176,484	-211,953	797,022	74	797,096

Alro

Separate statement of cash flows for the year 2025 - unaudited
in RON '000

Q4 2025	Q4 2024		Alro Stand-alone 2025	2024
		Cash flow from operating activities		
-268,895	-135,419	Result before income taxes	-225,059	25,872
		<i>Adjustments for:</i>		
24,539	22,793	Depreciation and amortisation	98,279	96,925
68,143	-424	Impairment of investments in subsidiaries	68,734	-
21,986	27,239	Movement in provisions	7,124	24,900
-3,509	1,466	Change in allowance for impairment of inventory	601	-59,814
18,983	86	Change in allowance for expected credit losses of trade receivables	18,997	332
348	1	Losses/(gains) on disposal of property, plant and equipment	360	384
-967	-131	Share of result of associates	-2,413	300
3,427	39,655	Net foreign exchange (gains)/ losses on loans revaluation	-46,385	35,126
-1,256	-1,495	Interest income	-8,806	-5,118
29,380	34,229	Interest expense	115,771	122,990
-15	-	Dividend income	-31	-15
-	-	Gain/loss on derivative instruments at fair value through profit or loss	-1	-
		<i>Changes in working capital:</i>		
-124,613	-59,641	Change in inventories	-89,493	48,848
298,543	333,631	Change in trade receivables and other assets	42,772	86,037
39,403	71,716	Change in trade and other payables	89,284	253,106
-844	-9,313	Income taxes (paid) / received	13,225	-31,998
-30,790	-57,490	Interest paid	-97,929	-128,483
73,863	266,903	Net cash generated / (used in) from operating activities	-14,970	469,392
		Cash flow from investing activities		
-42,547	-28,490	Purchase of property, plant and equipment and intangible assets, net	-131,345	-95,403
-	172	Government grants received	723	172
-	-	Proceeds from sale of property, plant and equipment	8	45
-287	-	Acquisition of subsidiary	-287	-
-	-108,233	Acquisition of associates	-	-108,233
15	-	Dividends received	31	15
-	-33,000	Change in restricted cash	-	-33,000
-2,670	1,495	Interest received	4,880	5,118
-45,400	-168,056	Net cash used in investing activities	-125,990	-231,286
		Cash flow from financing activities		
4,716	583,872	Proceeds from loans	71,467	584,833
-31,775	-352,872	Repayment of loans and leases	-117,095	-559,900
-27,059	231,000	Net cash generated / (used in) from financing activities	-45,628	24,933
1,404	329,847	Net change in cash and cash equivalents	-186,588	263,039
235,328	93,473	Cash and cash equivalents at beginning of period	423,320	160,281
236,732	423,320	Cash and cash equivalents at end of period	236,732	423,320

Alro Group
Consolidated statement of cash flows for the year 2025 - unaudited
in RON '000

Alro Group		Alro Group	
Q4 2025	Q4 2024	2025	2024
Cash flow from operating activities			
-247,953	-157,017	-219,829	29,277
Result before income taxes			
<i>Adjustments for:</i>			
29,599	27,857	118,884	119,507
51,300	1	51,300	1
20,879	24,783	6,714	20,942
7,495	17	11,605	-63,801
911	158	808	84
-444	333	809	1,241
-	9	-	9
241	-131	-2,406	300
2,790	39,698	-46,718	35,200
-1,295	-1,544	-9,042	-5,693
30,483	35,335	118,847	125,560
-15	-	-31	-15
-440	-	-367	-
<i>Changes in working capital:</i>			
-119,348	-66,680	-89,462	68,849
348,235	356,023	77,773	39,477
15,515	79,607	86,423	218,321
-2,471	-11,347	6,313	-36,641
-31,432	-58,119	-99,495	-129,526
104,050	268,983	12,126	423,092
Net cash generated by / (used in) operating activities			
Cash flow from investing activities			
-47,597	-33,323	-147,713	-134,318
-	7,272	723	7,272
1,799	484	2,554	1,428
-	-108,233	-18	-108,233
15	-	31	15
30	-33,001	-71	-13,241
-2,658	1,512	5,001	5,445
-48,411	-165,289	-139,493	-241,632
Net cash used in investing activities			
Cash flow from financing activities			
-10,571	589,231	72,815	615,806
-39,641	-362,149	-129,234	-572,089
-50,212	227,082	-56,419	43,717
Net cash generated / (used in) from financing activities			
5,427	330,776	-183,786	225,177
Net change in cash and cash equivalents			
242,090	100,527	431,303	206,126
Cash and cash equivalents at beginning of period			
-	-	-	-
Effect of exchange rate differences on cash and cash equivalents			
247,517	431,303	247,517	431,303
Cash and cash equivalents at end of period			

Notes to the preliminary consolidated financial results

- unaudited -

1. The year 2025 had a particular significance for Alro Group. Alro celebrated two events that were important for the Company and also for the Romanian economy: 60 years of continuous operations and 28 years since the Company's shares were listed on the Bucharest Stock Exchange. Throughout these years, the Company has grown alongside the aluminium industry and the community it has supported, being one of the longest-listed issuers and an example of corporate stability.

The year 2025 was also a year of confirmation and new beginnings, a year when the achievements of Alro Group were recognized both in Romania and internationally, leading to the consolidation of the Group's position as a benchmark of excellence in the aluminum industry.

One of the highlights of 2025 was that Alro was ranked first place among the best-performing companies in Romania, as a score made by the Chamber of Commerce and Industry at the edition XXXII of the National Top Companies Gala. This award reflects Alro's remarkable performance and continued excellence in the aluminium industry. In addition, Alro received the "Net-Zero Carbon Strategy of the Year" award at the annual event organised by Sustainability-Today and Diplomat Bucharest: Sustainability in Business Forum&Awards 2025. This award reflects the Group's commitment to implementing sustainable strategies in order to reduce carbon emissions and promote a circular economy.

From an operational perspective, Alro Group achieved growth in revenues, sales volumes and production and ended the year 2025 with a turnover of RON 3,895,743 thousand (14% higher compared to the year 2024 and by 6% in Q4 2025 versus Q4 2024). However, the bottom line result was affected by several factors like: lower non-core operating income due to lower accrued compensation of indirect emissions for 2025 and the recognition of a negative variance of RON 59,084 thousand (2024: RON 53,621 thousand) representing the difference between the compensation of indirect emissions for 2024 accrued as at 31 December 2024 and the actual amount received in December 2025, no sales of emission rights, unlike 2024, the impairments of non-current assets and financial assets recognized during the year and higher costs. In these circumstances, the Group recorded a consolidated net loss of RON 212,387 thousand as compared to a consolidated net profit of RON 10,337 thousand in 2024.

The year 2025 showed a complex and evolving business environment for the global aluminium market. Aluminium prices continued the recovery path that began especially in Q4 2024, consistently fluctuating between USD 2,400/tonne and USD 2,600/tonne throughout Q1-Q3 2025. In Q4 2025, the aluminium price continued its upward trend, reaching over 2,900 USD/tonne towards the end of the year, with the maximum average for 2025 recorded on 31 December 2025 (2,990 USD/tonne). In this context, for the fourth quarter of 2025 the average 3-month seller LME quotation was 2,845 USD/tonne, 9% up versus Q4 2024 (2,603 USD/tonne) and 9% up versus Q3 2025 (2,617 USD/tonne). Also the average 3-month seller LME quotation for 2025 was 2,639 USD/tonne, which was higher by 7% than it was in 2024 (2,457 USD/tonne).

Revenue from contracts with customers increased by 14% in 2025, reaching RON 3,895,743 thousand, compared to RON 3,408,037 thousand in 2024, mainly driven by higher sales volumes, improved product mix and the favourable evolution of aluminium prices during the year. In 2025, *the Primary Aluminium Division* achieved notable growth in sales, both in terms of volume and premiums, as well as in acquiring new wire rod customers in the European market, reporting higher sales by 13% as compared to 2024 (2025: RON 1,230,800 thousand; 2024: RON:1,089,182 thousand). However, during Q4 2025 a decrease of 2% was reported as compared to the sales recorded in the same quarter of the previous year (Q4 2025: RON 287,399 thousand; Q4 2024: RON 294,446 thousand). This decrease was mainly due to the lower sales of wire rod during Q4 2025, when the demand was not as strong as during the first 3 quarters of the year. In 2025, the product that recorded the most significant growth in volume sales was wire rod (+13% over the cumulative period), with an increase of 8,545 tonnes as compared to the previous year, despite a decrease of 1,143 tonnes in Q4 2025 versus Q4 2024. Most of the 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, except in the last quarter, when the demand was not as strong. Moreover, the demand was very strong during Q1-Q3 2025 and the Group had the opportunity to benefit from its spot availability by increasing substantially the product premiums when most of European competitors were sold out. On the contrary, the demand for billets was poor throughout 2025, with a slight recovery during the first half of July 2025. Nevertheless, the low premiums and expensive scrap made this product economically inefficient, so that more metal resources were redirected to higher value-added production. Under these circumstances, but also because of the reconversion of casting equipment in September 2025, the billet sales decreased by 3,564 tonnes as compared to 2024 and by 449 tonnes in Q4 2025 as compared to Q4 2024. Furthermore, in 2025, the Group decided to cut 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 sales value from *the Processed Aluminium Division* increased by 12% in 2025 as compared to the previous year (2025: RON 2,572,241 thousand; 2024: RON 2,293,745 thousand). Following the same trend, in Q4 2025 the revenues obtained from the processed products sales increased by 4% as compared to Q4 2024 (Q4 2025: RON 588,826 thousand; Q4 2024: RON 566,953 thousand). The sales of aluminium flat rolled products in 2025 reached a total of 96,087 tonnes, + 10% as compared to 2024, thanks to the continuous optimization of the sales mix throughout the year – an increased volume of high value added products (plates increased by 14%), reflecting a consolidation of the Group's market position in aerospace, defence and general engineering sectors, with an almost similar volume of sheets&coils sold versus 2024, a deliberate strategic decision, directing capacity and resources toward higher value-added products. Throughout the year, a good level of incoming orders was secured from the overseas markets (primarily US, followed by Mexico, Canada, East & Southeast Asia), but also from the Western European markets, despite a much more challenging market environment, due to geopolitical uncertainties, increased price pressure from both European and non-European rolling mills, shorter leadtimes. In 2025, automotive activity remained generally weak and it reflected in lower sales of special products dedicated to this sector. The sales to the aerospace sector increased in 2025 as compared to 2024, being supported by long term cooperation of the Group with Airbus, as well as additional business developments, mainly in the Asian markets (India, Vietnam and South Korea) with OEMs, aerostructure manufacturers and various service centres and distributors. The new CutSmart System business line has strengthened the Group's market positioning, enabling it to capture additional market share and broaden its customer portfolio, by offering tailored higher value-added solutions and improved responsiveness to customers operating in these performance-critical industries.

2. Cost of sales recorded a higher growth rate than revenues, increasing by 16% in 2025 (RON 3,740,359 thousand) versus 2024 (RON 3,231,134 thousand) and by 8% in Q4 2025 as compared to the same period of last year (Q4 2025: RON 883,136 thousand; Q4 2024: RON 815,208 thousand). In 2025 as compared to 2024, both electricity and natural gas costs increased, in line with their specific market prices, and the significant increase in electricity costs had a direct impact on the Group's profitability in the reporting period, given the highly energy-intensive nature of the Primary aluminium production. Rising trade tensions, international conflicts and increasing U.S. tariffs contributed to the slowdown in global economic growth and impacted commodity markets, disrupting supply chains and increasing price volatility. The main consequences of the actual geopolitical context were the inflated prices for the majority of raw materials and other auxiliary materials, which led to higher output costs in 2025 as compared to the same period of the previous year. In order to mitigate the negative impact of the electricity price increase, the Group increased the share of recycled aluminium production in 2025 versus 2024. This increase was supported by higher purchased quantities of aluminium scrap and ingots (in 2025: almost 130,000 tonnes; in 2024: more than 124,000 tonnes and in Q4 2025: more than 33,000 tonnes; in Q4 2024: more than 32,500 tonnes). At the same time, since the price of purchased aluminium scrap and ingots is linked to the LME quotation, it recorded an increase in 2025 as compared to 2024, in line with the upward trend of the aluminium price in the reported period.

The increase in purchasing of aluminium ingots and aluminium scrap, as an efficient alternative to the electrolytic aluminum production, has had an effect on the Group **Trade and other payables**, which have increased by 24% on the *Consolidated Statement of Financial Position* at 31 December 2025 compared to 31 December 2024.

3. In 2025, the Group's **gross result** was positive, amounting to RON 155.384 thousand (in 2024: a positive gross result of RON 176,903 thousand), thanks to higher quantities sold in aluminium segments with better profitability margins and the positive evolution of LME in 2025, however diminished by higher costs of utilities and raw materials. A similar trend was reported in Q4 2025, when the Group achieved a gross profit of RON 34,547 thousand as compared to a gross profit of RON 50,695 thousand in Q4 2024.

4. In the context of its year-end financial closing process, the Company carried out its annual assessment of the recoverability of **financial investments** as at 31 December 2025, taking into consideration relevant internal and external indicators. The assessment considered developments in the aluminium industry during the year, including the decrease in benchmark alumina prices compared to previous periods, continued volatility in regional demand and pricing dynamics, as well as updated forecasts reflecting current market expectations. In this context, the test resulted in the recognition in the separate financial statements of an impairment expense, amounting to RON 67,896 thousand, mainly related to the investment in Alum. In addition, an impairment loss of RON 839 thousand was recognised for the investment in Conef, following the decrease in its recoverable amount, determined by reference to its net asset value as at 31 December 2025 (2024: no additional impairment was recognised). These figures are still subject to auditors' review and the amounts in the final consolidated financial statements for 2025 might differ.

5. In 2025, **Other operating income** totaled RON 178,711 thousand (compared to RON 472,470 thousand in 2024). The amount primarily comprises RON 221,156 thousand representing government compensation for indirect emissions included in the electricity price, accrued for the year 2025. The compensation accrued for 2025 was lower than the amount recognised for 2024 (RON 302,382 thousand), but in line with the amount received in 2025 for 2024. In addition, during 2025 the Group recognised a negative variance of RON 59,084 thousand (2024: RON 53,621 thousand), representing the difference between the government compensation for 2024 accrued as at 31 December 2024 in the amount of RON 302,382 thousand and the actual amount received in December 2025 of RON 243,298 thousand. This difference was recognised in 2025 as a change in estimate. The Group is entitled to government compensation for indirect emissions included in the electricity price, in accordance with the EU Emissions Trading Scheme (ETS) and the European Directive transposed into Romanian legislation.

Additionally in 2024, under *Other operating income*, the Group recorded revenues from the sale of carbon dioxide emission certificates of RON 195,948 thousand (out of which in Q4 2024: RON 73,697 thousand). No such income was recorded by the Company in 2025.

6. The category **Other operating expenses** mainly includes the depreciation of idle plants amounting to RON 14,752 thousand (2024: RON 18,696 thousand), reflecting the continued suspension of certain production capacities, as well as non-productive costs of Alum of RON 10,461 thousand (2024: RON 11,904 thousand), incurred in the context of the ongoing shutdown of production activity. In addition, this category includes a provision of RON 23,292 thousand recognised by Alro for CO₂ certificates to be acquired for the year 2025 (2024: RON 11,463 thousand). Furthermore, as at 31 December 2025, following an impairment review of property, plant and equipment, the Group's subsidiary Alum recognised an impairment loss of RON 51,300 thousand (2024: nil), as the recoverable amount of assets was assessed to be below their carrying value, this impairment assessment remains subject to verification by the auditors.

7. In 2025, the gross result from the main operations was positive with great achievements in sales reflecting the Group's ability to identify new business opportunities in a challenging economic environment, with the amendment that the one-off 2024 event, such as the sale of CO₂ certificates, did not repeat in 2025. In addition, the Group estimated lower income from the government compensation in 2025 than in the previous year, as mentioned in the paragraph above, and the revenue from the compensation could not offset the higher input costs, which led to a negative **operating result (EBIT)** of RON 147,050 thousand as compared to a positive EBIT of RON 225,137 thousand recorded in 2024. The same evolution was also noticed in the fourth quarter 2025 when a loss of RON 206,534 thousand was recorded as compared to the loss of RON 62,806 thousand in Q4 2024.

8. **Net foreign exchange gains / (losses)** are mainly amounts arising from the revaluation of the Group's loans and other foreign currency liabilities. In 2025, the Group recorded a net foreign exchange gain of RON 65,845 thousand, compared to a loss of RON 41,108 thousand in 2024, driven by the appreciation of the Romanian Leu against the US dollar. An opposite evolution was recorded in Q4 2025, when the Group obtained a loss from foreign exchange differences of RON 4,937 thousand, but much lower than the one registered in Q4 2024 of RON 51,898 thousand.

9. The remarkable sales performance achieved by the Group in 2025, especially for plates and wire rod products and the upward trend of LME aluminium quotation contributed to the growth of Group's revenues with direct positive impact on its turnover. At the same time, in 2025, the Group remained committed to its sustainable growth strategy and used a high percentage of recycled aluminium to ensure the raw material for its production and to minimise the carbon footprint. Also, in 2025 the Group continued its strategic investment programme focused on energy efficiency and process modernisation that allowed it to produce and sell sophisticated products, consolidating the Group position as a reliable supplier in high end industries such as aerospace and defence. However, the impact of higher raw material and utility prices and of persistently high interest rates, partially offset by the positive effect of foreign exchange, led to a deterioration in overall profitability. In 2025, the Group reported a negative **net result** of RON 212,387 thousand, compared to a net profit of RON 10,337 thousand in 2024, or an adjusted comparative loss of RON 185,611 thousand if deducting the RON 195,948 thousand representing revenues from the sale of CO₂ certificates recorded by the Group in 2024. The same downward trend was observed at quarterly level, with a net loss of RON 214,226 thousand in Q4 2025, compared to a net loss of RON 116,462 thousand in Q4 2024, or an adjusted comparative net loss of RON 190,159 thousand after taking out of RON 73,697 thousand representing the one-off income from CO₂ certificate sales recorded in Q4 2024).

Reconciliation of **adjusted net result** with the net result of Alro Group:

in RON '000 Q4 2025	in RON '000 Q4 2024		in RON '000 2025	in RON '000 2024
-214,226	-116,462	Result for the period	-212,387	10,337
51,300	1	Plus/(minus) charge/ (reversal) of non-current assets impairment expense/(income)	51,300	1
-440	-	Plus/(minus) the loss/(gain) from derivative financial instruments for which hedge accounting was not applied	-367	-
-31,133	-22,857	Plus/(minus) deferred tax	-16,080	4,974
-194,499	-139,318	Adjusted net result	-177,534	15,312

10. At 31 December 2025, the Parent Company reclassified from long-term to short-term a revolving facility of USD 120,000 thousand contracted from a bank syndicate and a revolving loan concluded with a commercial bank of RON 180,000 thousand, these facility having the maturity in November 2026. As a result of these reclassifications, the collateral deposit of RON 36,000 thousand for the above mentioned loans was reclassified from **Other non-current financial assets** (at 31 December 2024) to **Restricted cash** (at 31 December 2025). The Group intends to extend the revolving loans.

Strategic investments

There are several investment projects that continued in 2025, of which the following have a significant weight in the Group strategy to align with the most recent standards of sustainability and best practices.

In 2025, the Group commissioned a new electric furnace for aluminium alloy plates ageing. 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 until 31 december 2025, including equipment and installation was of RON 11,600 thousand.

At the same time, in 2025 the Group also commissioned part of the investment project initiated in 2023, specifically the acquisition of a double-sided conductivity scanner for aluminium plates, for which an amount of RON 4,635 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 2025 the Group put into operation the investment commenced in 2023, consisting in purchasing an immersion ultrasound control system designed to check the internal structure of the aluminium alloy plates mainly for aerospace production, with the objective of increasing control capacity and ensuring the safety and reliability of the inspection 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 amount spent for this investment project until 31 December 2025 was of RON 6,735 thousand.

Also, in 2025 the Group implemented the investment project commenced at the end of 2024, *Increase Alro melting capacity by installing a 60 tonnes furnace in the Cast House*, capable of delivering a design melting rate of 5 tonnes/hour of aluminium ingots and complying with environmental standards. The total value of the project investment until 31 December 2025 was of RON 11,079 thousand.

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 31,694 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 value-added products tailored to customer requirements. The project is scheduled for completion in 2026.

Marin Cilianu
Chief Executive Officer

Genoveva Nastase
Chief Financial Officer