ALUMIL ROM INDUSTRY S.A.

SEPARATE FINANCIAL STATEMENTS

Prepared in accordance with
Minister of Public Finance Order 2844/2016

31 DECEMBER 2024

(All amounts are expressed in RON, unless otherwise stated)

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ANNUAL REPORT OF THE ADMINISTRATOR REGARDING THE FINANCIAL YEAR 2024

Name of issuer: S.C. ALUMIL ROM INDUSTRY S.A.
Registered office: Bucharest, Soseaua Bucuresti Ploiesti no. 42-44, Sector 1
Telephone number: 021 424 34 56, fax: 021 423 39 32
Sole Registration Code with the Trade Registry Office: RO10042631
Trade Register number: 1997008540401
Share capital called up and paid in: RON 6,250,000.

Legal framework for the preparation of the annual financial statements

S.C. ALUMIL ROM INDUSTRY S.A., with the registered office in Bucharest, Soseaua Bucuresti Ploiesti no. 42-44, Complex Baneasa Business & Technology Park, Sector 1, is a joint-stock company operating in accordance with the provisions of the Company Law 31/1991, as republished with subsequent changes.

The share capital of the Company is a private capital in full.

Starting 2012, the Company prepares separate annual financial statements in accordance with the International Financial Reporting Standards as approved by the OMFP no. 2844/2016 with subsequent changes and completions.

1. Analysis of the company activity

1.1 Description of the company's main activity

a) Company presentation

ALUMIL ROM INDUSTRY S.A. is a subsidiary of the company **ALUMIL ALUMINIUM INDUSTRY S.A. Greece,** an industrial group at European level operating in the Aluminum extrusion industry.

ALUMIL ALUMINIUM INDUSTRY S.A. is one of the European leaders in Aluminum extrusion, owning production sites with state-of-the-art technologies, being one of the top factories of Aluminum profiles for constructions, covering all types of applications known in this field.

b) Company subsidiaries

ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET ANONİM SİRKETİ, having head office in Turkey, FatihMah., 1188 Sokak, No.13/B Gaziemir /IZMIR, was established and registered in Turkey with the Gaziemir Tax Office on 16 September 2015 under number 0680907038 and with the Izmir Chamber of Commerce under number: 183607 as a joint stock company, Turkish legal entity, having an unlimited operation duration and operating according to the Turkish Commercial Code. The company was established by SC ALUMIL ROM INDUSTRY SA, as sole shareholder. The company's share capital at the date of establishment was of 50,000 Turkish Lira, divided into 50 shares of 1,000 Turkish Lira each. On 16 November 2015, SC ALUMIL ROM INDUTRY SA has assigned 60% of the shares in ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET S.A., to the company ALUMIL INTERNATIONAL AG Switzerland, the shareholding structure following the assignment is as follows: 20 shares SC ALUMIL ROM INDUSTRY SA namely 40% of the share capital, the equivalent of 20,000 Turkish Lira and 30 shares the ALUMIL INTERNATIONAL AG Switzerland company, namely 60% of the share capital, the equivalent of 30,000 Turkish Lira. In December 2015, the share capital increase was decided for the ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET ANONİM SİRKETİ, to the total value of 950,000 Turkish Lira, representing 950 shares having a nominal value of 1,000 Turkish Lira each, of which ALUMIL ROM INDUSTRY S.A. holds 40%, namely 380 shares at the nominal value of 1,000 Turkish Lira each.

1. Analysis of the company activity (continued)

In April 2016, the share capital increase was decided for the ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET ANONİM SİRKETİ, to the total value of 1,900,000 Turkish Lira, representing 1,900 shares having a nominal value of 1,000 Turkish Lira each, of which ALUMIL ROM INDUSTRY S.A. holds 40%, namely 760 shares having a nominal value of 1,000 Turkish Lira each. In October 2019, the share capital increase was decided for the ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET ANONİM SİRKETİ, to the total value of 4,900,000 Turkish Lira, representing 4,900 shares having a nominal value of 1,000 Turkish Lira each, of which ALUMIL ROM INDUSTRY S.A. holds 40%, namely 1,960 shares at the nominal value of 1,000 Turkish Lira each.

ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, having head office in Egypt, Cairo, was established and registered in Egypt on 20 March 2016, according to the joint-stock company set up certificate number 1375/20.03.2016 issued by the General Investment and Free Area Authority as a joint stock company for a duration of 25 years. The Company's issued capital at the set up date was of 1,000,000 Egyptian Lira, divided into 1000 shares of 1,000 Egyptian Lira each. The share capital structure at the set up date is the following: Alumil International AG Switzerland 59%, Alumil Rom Industry SA Romania 40% and Alumil MISR for Trading Egypt 1%. In November 2016, the first share capital increase was decided for the ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, to the total value of 16,000,000 Egyptian Lira, representing 16,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 6,400 shares at the nominal value of 1,000 Egyptian Lira each. In December 2016, a new share capital increase was decided for the ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC and, therefore, the company's capital reached 30,000,000 Egyptian Lira, representing 30,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 12,000 shares at the nominal value of 1,000 Egyptian Lira each.
In February 2019, the third share capital increase was decided for the ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, with a total value of 20,600,000 Egyptian Lira, out of which the contribution of the Company is Egyptian Lira 8,240,000. The increase will be done in stages, so as of 31.12.2019 the share capital of the company amounted to Egyptian Lira 33,000,000 representing 33,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 13,200 shares at the nominal value of 1,000 Egyptian Lira each.
In July 2020, the fourth share capital increase was done for the ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, with the total value of Egyptian Lira 3,000,000, out of which Alumil Rom Industry contribution is Egyptian Lira 1,200,000. The increase is done in stages, so as of 31.12.2020 the share capital of the company amounted to Egyptian Lira 36,000,000 representing 36,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 14,400 shares at the nominal value of 1,000 Egyptian Lira each.
During 2021 there were 3 succesive share capital increases for ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, in a total amount of EGP 14,600,000, out of which Company's contribution is EGP 5,840,000. Consequently the share capital as at 31.12.2021 reached the value of 50,600,000 Egyptian Lira representing 50,600 shares at the nominal value of Egyptian Lira 1,000 lire egiptene each, out of which Alumil Rom Industry holds 40%, namely 20,240 shares at the nominal value of 1,000 Egyptian Lira each.

c) Main activities

Alumil Rom Industry S.A. manufactures and trades a large range of Aluminum profiles systems (sliding, opening and partitioning systems) and accessories related to these systems, machine tools and specific tools used for aluminum joinery, interior doors and decorative Aluminum panels. The main activities of Alumil Rom Industry S.A. are the production of aluminum profiles, more specifically, processing of profiles through the provision of thermal breaks and electrostatic painting, as well as the trade of a large range of profiles, accessories, composite panels (J-Bond), polycarbonate films etc.

1. Analysis of the company activity (continued)

Processing activity

S.C. ALUMIL ROM INDUSTRY S.A. conducted, starting 18.05.2011 the project “Eco efficient and innovative investment in a modern Aluminum processing facility”, co-financed by the **European Regional Development Fund** under the financing contract signed with the Ministry of Economy, Trade and Business Environment, as the Managing Authority for the Operational Sectorial Program "Increase of Economic Competitiveness". The project objective was to increase the productivity of the company by creating a modern, eco-efficient Aluminum profiles production and processing facility.
The project, implemented in Filipestii de Padure, Minieri village no. 149, Prahova County, was completed in July 2013 and resulted in the building of a production hall of 8,835 square meters and the purchase of 11 state-of-the-art pieces of equipment, creating over 45 new jobs.

Therefore, S.C. ALUMIL ROM INDUSTRY S.A. has put into operation new modern equipment for:
- horizontal painting with two automatic painting booths capable of painting Aluminum profiles in all RAL colors. ALUMIL ROM INDUSTRY S.A. paints about 1,450 kinds of Aluminum profiles in about 200 RAL colors;
- wood-effect painting with a technology based on a pre-printed film for decorating profiles, Aluminum panels and Aluminum accessories, using the sublimation method;
- thermal break production with a capacity of 150 profiles /hour

The installation also includes equipment for applying self-adhesive tape on Aluminum profiles in order to protect painted surfaces.

A small part of the production process is represented by the bending of profiles, an operation carried out only on client request.

The processing (painting) line is composed of:
- Chemical treatment line (baths) for filiform corrosion resistance with a waste water treatment plant;
- Frame preparation line;
- Electrostatic painting installation;
- Polymerization oven;
- Wood-effect painting installation;
- Thermal break production line;
- Profile assembly line.

The production and storage facilities are equipped with:
- fresh water installation and demineralized and fresh water tanks;
- deionized water installation;
- treatment plant (reduction-oxidation, neutralization, flocculation, settling, press filter);
- own wastewater and rainwater sewer network;
- own central heating plant (fuel: natural gas);
- air compressors;
- hydrophore installation;
- transformer station 10 /0.4 KV.

d) Products

Alumil Rom Industry offers a wide range of Aluminum profiles and accessories and tools used for Aluminum profiles processing.

1. Analysis of the company activity (continued)

The main product categories of Alumil Rom Industry are:

- Aluminum profiles
- Accessories for Aluminum profiles
- Outdoor Aluminum systems (fences, railings, pergolas)
- J-Bond / Outdoor decorative panels
- Polycarbonates
- WPC composite materials

The Aluminum profiles are grouped in the following categories of systems:

I. Opening windows/doors systems

a) Without thermal break: COMFORT M940, COMFORT M9400, COMFORT M15000
b) With thermal break: SMARTIA M9660, SMARTIA M11000, SMARTIA S67, SUPREME S77, SUPREME SD77, SUPREME S91, SUPREME SD95

II. Sliding window systems

a) Sliding windows without thermal break: COMFORT M900, COMFORT M9000, COMFORT M9200, SMARTIA M12500, SMARTIA M14000, SMARTIA M14500
b) Sliding windows with thermal break: SMARTIA S350, SMARTIA S350LT, SMARTIA M450, SMARTIA S560, SMARTIA S560LT, SUPREME M630, SUPREME S650, SUPREME S700

III. Curtain wall systems

SMARTIA M1, SMARTIA M7, SMARTIA M6, SMARTIA M35, SMARTIA M50, SMARTIA M65, SMARTIA M78

IV. Special systems

The special systems are mainly systems for interior partitioning (P100 and P200 Office), systems for sun protection (M5600 Solar Protection), skylights (Skylight M9850, M10800 Skylight Alutherm), systems for protection against insects, fixed and bioclimatic pergola systems (PG120F, PG120P and PG160P), railing systems (M8200, M8250, M8100), fencing systems (FC10, FC60 and FC80) and cladding systems (M7000 Cladding).

e) Quality management and certifications

For the activities carried out in Romania, **ALUMIL ROM INDUSTRY** has implemented and is maintaining an integrated quality, environmental, occupational health and safety management system, according to the requirements of the following standards: SR EN ISO 9001: 2015, SR EN ISO 14001: 2015 and SR ISO 45001:2018, integrated management system which is designed for the continuous improvement of performance, taking into consideration the needs of the Company and of all interested parties. The certification of the quality, environment and occupational health and safety management systems was performed by SRAC CERT, Romanian certification body with the largest recognition of the brand and certificates as a result of the partnership with IQNet (The International Certification Network) and of the accreditation by RENAR – body having signed the EA-MLA (European agreement on recognizing certification).
In 2009, Alumil Rom Industry has obtained the license to use the QUALICOAT SEASIDE labels, certificate that is renewed every year by the Aluminum Association of Greece Certification Committee, also a painting and production processes certification body.
Having obtained the QUALICOAT SEASIDE labels licenses proves that ALUMIL ROM INDUSTRY meets the requirements for carrying out the production processes and it has the necessary equipment, the coverage materials required through specifications and regulations obtaining finished products of an adequate quality.

All the requirements in the QUALICOAT specifications must be met for a quality label to be granted and maintained.

(All amounts are expressed in RON, unless otherwise stated)

1. Analysis of the company activity (continued)

1.1.1 General evaluation items for 2024

	Consolidated ratios	MU	2024	2023
a)	Net profit	RON	5,318,595	6,513,827
b)	Turnover	RON	113,024,934	118,154,689
c)	Exportation	RON	2,370,846	2,083,208
d)	Cash and cash equivalents	RON	2,958,982	2,151,537

1.1.2 Storage capacity

ALUMIL ROM INDUSTRY S.A. has a storage total area of 26,311 square meters. The statement of the Company of the storage capacities is shown below:

	Location	Surface (sq. m.)	Surface of land (sq. m.)	Total (sq. m.)	Type
1	Baia Mare	381	-	381	Rented
2	Brasov	450	-	450	Rented
3	Bucharest	1,109	-	1,109	Rented
4	Cluj	1,086	-	1,086	Rented
5	Galati	620	-	620	Owned
6	Iasi	969	-	969	Rented
7	Slatina	930	-	930	Rented
8	Timisoara	288	192	480	Rented
9	Filipestii de Padure	8,135	41,868	50,003	Owned
10	Filipestii de Padure	9,262	9,840	19,102	Owned
11	Filipestii de Padure	3,081	8,915	11,996	Owned
	Total	**26,311**	**60,815**	**87,126**	

1.1.3 New products introduced in 2024

Alumil Rom Industry in continuously concerned about the client satisfaction, and as a response to the ever changing needs, it is focusing on developing new technical solutions to improve the quality, comfort and safety. The systems are designed, developed and tested in the Alumil Group Research & Development Department in Greece and then certified by an internationally recognized certification institutions, such as IFT ROSENHEIM of Germany, CSTB – France, BaUTG – Begium, INTERTEK – USA.


1. Analysis of the company activity (continued)

In 2024, Alumil Rom Industry has introduced in Romania a series of new premium systems:

I. SUPREME Range:

S500 PHOS – the sliding system with thermal barrier SUPREME S500PHOS sets new standards regarding the minimalist design, with symmetrical lines, impressive functionality and advanced technology.

The real revolution of the system consists in the ability to defy gravity using the version SUPREME S500 SlideAir which eliminates the force needed for operating the leaf by adding magnetic technology.

II. SMARTIA Range:

M450 – SMARTIA M450 represents the new generation of aluminum lifting-sliding systems for doors with minimalist design. This system satisfies the demanding requests of the modern residencies regarding the advanced thermic insulation and the trends of transparent architecture.

Z1000 ZIP SCREEN SYSTEM – stand-alone system of electric cassette blinds, equipped with fabric with ZIP technology which ensures optimal pre-tensioning for the realization of automated solutions of very large umbrellas (sizes up to 3800x6000 mm). The systems ZIP SCREEN represent an elegant and minimalist solution for shading and protection against sun radiation, suitable to be applied in modern houses and apartment buildings, as well as in commercial facilities and office buildings.

IFS (INTEGRATED FLY SCREEN SYSTEMS) – system containing solutions for protection against insects, completely integrated into the masonry structure or building insulation, suitable for the following ALUMIL systems (S650 ECLIPSE, S700, M630). IFS system was developed to meet the modern architectural requirements of minimising the visibility of aluminium systems on buildings facades, without jeopardising the functionality of complementary systems.

MF6500 – harmonic doors system without thermal break, with the unloading of the weight of the leaves on the lower track, intended for closing recreation spaces such as terraces, swimming pools, greenhouses etc.

At the same time, the following systems commercialized by Alumil were completed with new solutions:

PG120P – bioclimatic pergola system, was completed with ZIP SCREEN shading solutions and automated guillotine perimeter opening solutions with motorized sliding both towards the floor (3 movable leaves) and towards the ceiling (4 movable leaves)

M8200 GLASS RAILINGS – Premium railings system, which was completed with solutions of profiles type F for applications where resistance to extreme wind loads or linear loads is required (M8217, M8219 and M8228)

S67 – roto-tilting system was completed with PHOS typologies, i.e. solutions for windows with hidden sash

S67 URBAN – the system was completed with solution for doors, ensuring the same industrial “steel look” for these typologies too

SD77 – access doors system was completed with SD77PIVOT typologies, integrating pivoting openings, which allow the creation of large-sized doors (up to 2 meters wide and 3 meters high) and weighting up to 300 kg per pivoting leaf.

(All amounts are expressed in RON, unless otherwise stated)

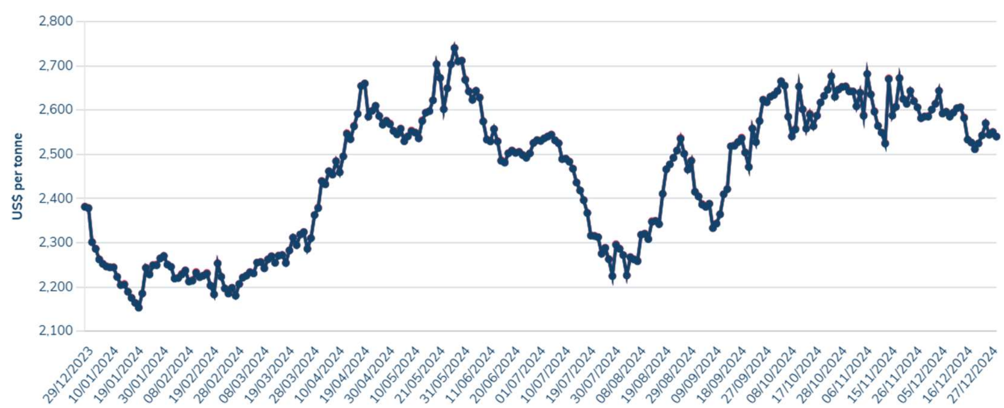
1. Analysis of the company activity (continued)

1.1.4 Evaluation of the supply activity

The main supplier of Alumil Rom Industry S.A. is Alumil Aluminium Industry S.A. Greece for both processed and unprocessed profiles. The Company's competitive advantages consist in offering quality products, with a design and functionality of the highest level and the fact that it has access to favorable purchase prices because of the relationship with the parent company from Greece.

The price of Aluminum profiles is strongly influenced by the price of Aluminum on the international market, namely on London Metal Exchange. During the first half of 2024, the price of Aluminum on London Metal Exchange (LME) registered an upward evolution, increasing from USD 2,200/ton in the first months of 2024 to USD 2,700/ton in May. Subsequently, in the second half of the year, the price had a fluctuant evolution, stabilizing toward the end of the year to around USD 2,600/ton.

Evolution of Aluminum quotation on London Metal Exchange, Jan.-Dec. 2024



Source: LME.com

1.1.5 Evaluation of the sale activity

a) Description of the sales evolution and long-term prospects

In 2024, out of the total turnover of RON 113,024,934 (2023: 118,154,689), the exports to Group companies represented only RON 2,370,846 (2023: RON 2,083,206). As such the turnover realized on domestic market registered a decrease of 4.7%, from RON 116,071,481 in 2023 to RON 110,654,088 in 2024.

	2024	2023
Sales (RON)	113,024,934	118,154,689
Variation compared to the previous year	-4.3%	8.3%

Source: Alumil management reporting - financial statements

In 2024 about 97.90% of the turnover was achieved on the domestic market, and the difference of 2.10% represented exports to Alumil Industry S.R.L. in Moldova, to the parent company, Alumil Aluminium Industry S.A. in Greece, and to other companies.

(All amounts are expressed in RON, unless otherwise stated)

1. Analysis of the company activity (continued)

b) Description of the competition and the market share

The profile market for thermal insulation glass joinery in Romania is dominated by the profiles made of PVC (~ 75% of the value) and of Aluminum (~ 22% of the value), according to the market studies performed in recent years. The other types of profiles (wood, steel and Aluminum and wood) have insignificant weights in the total purchases, accumulating less than 3% of the market.

The domestic market of the aluminum systems for architectural applications is one with a pretty high degree of concentration, the first 5 competitors owning over 70% both in volume and in value. The remaining 26-27% are disputed by a number of 15 companies, which have market shares between 2 and 5%.

The 5 competitors mentioned above are as follows (in alphabetical order): Alukonigstahl, Alumil Rom Industry, Aluprof, Cortizo and Reynaers.

The Company estimates that during 2024 it has maintained its market leadership by an estimated share of about 25%, varying between 30 on the retail zone and 22-23% on the large projects zone.

c) The description of any significant reliance on a single customer or group of customers

In recent years, the total number of customers was 1,500-2,000 and they are mainly aluminum and PVC joinery firms. In 2023, the top ten clients accounted for 32.98% of the total sales, and this weight slightly increased in 2024, when the top ten customers accounted for approximately 35.00% of the total sales. Keeping a percentage as small as possible is due to the fact that the Company has permanently tried to avoid a significant reliance on a single customer or group of customers.

1.1.6 Evaluation of the matters concerning the Company’s employees

The average number of employees was approximately constant in 2024 compared with 2023, the difference compared with previous year being insignificant.

The evolution of the average number of employees:

	2024	2023
Average number of employees	154	155
Change percentage during the period	-0.65%	-0.64%

Source: Management reporting – consolidated statements.

1. Analysis of the company activity (continued)

1.1.7 Evaluation of the matters related to the impact of the main activity on the environment

At the local level, ALUMIL is firmly committed to environmental protection and sustainability, through a well-defined strategy aimed at reducing greenhouse gas emissions, making the use of resources more efficient and promoting the circular economy. We fully comply with European and national legal and regulatory requirements and actively support the UN's 17 Sustainable Development Goals (SDGs), aligning our strategy with sustainable development and measurable goals.

<u>Green strategies and initiatives</u>

One of ALUMIL's main initiatives is the implementation of the "Net Zero" strategy, which aims to reduce the carbon footprint and offset residual emissions. By using renewable energy, optimizing production processes, and increasing the use of recycled materials, the company aims to minimize its environmental impact. In this regard, a notable example is the Loop80 product, made of 80% recycled aluminum and certified according to international standards. This approach not only reduces the consumption of primary resources, but also contributes to lowering the emissions associated with industrial production. It is important to note that aluminum recycling is a promising method, as secondary production consumes only 5% of the energy required for primary production.

In 2023, ALUMIL obtained the "OK Recycled" certification from TÜV AUSTRIA, a recognition that confirms its commitment to the use of recycled materials. Moreover, the company has been actively involved in the European RecAL project, a research initiative aimed at developing advanced technologies for aluminum recycling, thus strengthening the transition to a circular economy.

<u>Measures to reduce environmental impact</u>

In order to ensure a minimum impact on the environment, ALUMIL has adopted concrete measures:

- Promoting recycling – both by using recycled aluminium in production and by educating employees and the community on responsible waste management. The company is also committed to recycling wood, plastic and paper, thus contributing to the reduction of waste and saving natural resources.
- Afforestation and biodiversity protection – through reforestation programs, such as the "Adopt a tree" initiative, in which ALUMIL Romania employees contributed to the effort to plant 9,700 seedlings in Teleorman County.

<u>Social responsibility and community involvement</u>

At the local level, ALUMIL supports the communities in which it operates through corporate social responsibility programs. In 2023, the Green Ambassadors team was expanded to 35 members, reflecting the increase in employee involvement in green initiatives. At the same time, the company organizes annual social and environmental events and projects, in which employees and their families actively participate in recycling activities, charity marathons, blood donation campaigns and environmental education courses.

In 2024, ALUMIL strengthened these efforts by engaging in various social and ecological partnerships. For example, together with The Magic Association, the company supported the MagicEDU program, facilitating access to education for children in difficulty. Also, by collaborating with Hope and Homes for Children, ALUMIL supported the transition of institutionalized children to a family environment more conducive to their development.

<u>Goals for the future</u>

In 2025, the ALUMIL Group will review its decarbonization strategy and set new targets for 2030, aiming to expand the use of renewable energy and improve recycling processes. Through these measures, ALUMIL reaffirms its commitment to building a sustainable future, actively contributing to the protection of the environment and the sustainable development of the communities in which it operates.

The company continues to publish the annual Sustainability Report, a document that contains the company's efforts and achievements in terms of social responsibility, environment, corporate governance, market and human resources. It is public and can be consulted on the company's website.

ALUMIL ROM INDUSTRY S.A. holds:

- The Environmental Permit no. PH-124 of 7 December 2018, revised on 15 November 2022, issued by the Prahova National Agency for Environmental Protection;
- Water management authorization no. 165 of 23 September 2022, concerning the water supply and the discharge of waste water, valid through 30 September 2025, issued by the “Romanian Waters” National Administration, the Water Basin Administration Buzau-Ialomita, the Water Management System Prahova unit.

1. Analysis of the company activity (continued)

1.1.8 Evaluation of the research and development activity

Most research and development activities are performed at Group level, in the specialized department of the parent company in Greece. The operations in Romania include a Research & Development department and a technical support one for projects carried out with Alumil profiles. These departments operate closely with the research and development department at Group level, the teams working together to develop new series of profiles and improve existing ones to meet customer requirements.

1.1.9 The evaluation of the ALUMIL ROM INDUSTRY S.A. risk management activity

The Company's exposure to:

i) **Price risk -** Alumil Rom Industry S.A. has in place a flexible commercial policy and is able to adapt to any price fluctuations, especially since the Aluminum price fluctuations at an international level affects all market participants to the same extent. To this effect, it is an advantage that Alumil Rom is part of a group with high power to acquire and process Aluminum on the international market.

ii) **Interest rate risk -** The Company's exposure to the interest rate fluctuation risk mainly relates to the floating interest-bearing loans contracted by the Company. At the end of 2024, the balance of short-term loans contracted by the Company was RON 10,196,905 (2023: RON 4,179,297), and of long-term loans was RON 0 (2023: RON 0). Considering the low gearing, the interest rate risk is also low.

iii) **Credit risk -** The Company trades only with recognized, creditworthy third parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis, having as a result a decrease in the exposure of the Company to bad debts.

iv) **Liquidity /cash-flow risk -** Much of the Company's sales involve cash receipts or credits granted to customers over a period of several days to several weeks. Together with the loans for working capital, these provide for the current liquidity needs of the Company. During 2020 and 2019, the loans for the working capital were underused, the Company being in a position of financing its activities with own funds. Under these conditions the Company faces a very low liquidity risk.

1.1.10 Perspectives concerning the activity of ALUMIL ROM INDUSTRY S.A.

Alumil Rom Industry S.A. produces and offers to potential customers from Romania Aluminum profiles at international standards with excellent mechanical and physical features, while also providing assistance and advice on all technical aspects of the products.

The main objectives of **Alumil Rom Industry S.A.** are to maintain market leadership in the production and sale of Aluminum profiles in Romania and to focus both on providing innovative, internationally certified products and, from a commercial perspective, on commercial network improving and expanding. The objectives for the coming years are to increase the market share and improve profitability. Additionally to Aluminum profiles, the Company offers a wide range of products in the field, such as outdoor decorative panels, sun protection systems, interior doors, pergolas, decorative panels and accessories, an important objective being to increase the market share on the segments mentioned above. All these objectives are based on the vision of **Alumil Rom Industry S.A.** and of its parent company from Greece to maintain the leadership on the Southeastern Europe markets and to expand on other markets.

To achieve these objectives in the coming years, **Alumil Rom Industry S.A.** will focus on increasing the quality of customer service, on increased promptness in fulfilling orders and reducing delivery times. These strategic elements have been a priority in recent years, and by improving the existing processes in the coming years, we will manage to achieve new results on these lines. An important step in this regard is the investment from Filipestii de Padure, a European-level investment with high efficiency equipment completed in July 2013. A new stage in this respect is rethinking of national distribution network by the creation of regional Hubs which offer an increased flexibility in carrying-out of the activities al regional level.

1. Analysis of the company activity (continued)

Thus in 2020 the Hubs in in Cluj and Iasi were opened, being fully operational and serving from commercial and logistic point of view the West and East regions.

In 2022 the construction of the new HUB Slatina started, which will be inaugurated in the first part of 2023, and will serve the South-West area.

By developing B2B My Alumil platform, the Company offers to partners a tool to place online orders, in a simple and intuitive way, a source of information and access to the latest released systems, as well as other useful information which can be accessed on the platform. This automated system brings flexibility and visibility, offering an advanced set of IT functionalities, significantly improving the browsing experience for Alumil partners. The main page offers detailed information on Alumil products, technical news, general announcements, ordering policy, promotions and new products launches. The users can also download technical catalogues and brochures, check the stocks and place orders easily, a window dedicated to all orders in progress being active.

My Alumil offers also the possibility to search orders using specific criteria, as profile code or accessories. This brings a new dimension of verification and efficiency to the order management process. The benefits of using My Alumil are diverse and tangible: the ordering process becomes fast and simple, and the automated system allows placing recurring orders, saving time and effort. Users have the possibility to check accessory stocks in real time and are always up to date with all relevant technical updates, My Alumil is an essential tool for optimizing the procurement process and providing a special experience to our partners.

The loyalty program Alumilia, integrated in My Alumil platform and launched in September 2022 is already in its second edition, continuing to reward our partners for their loyalty. The basic principle of the program is represented by rewarding customers by accumulating points following purchases made online on the B2B My Alumil platform, these points can be used to obtain valuable prizes.

The prizes offered in exchange for accumulated points are divided into several levels, depending on their value. The higher the level of the award, the higher its value, but also requires a greater number of points to obtain. Our goal with this initiative is to provide our partners with a more pleasant and faster shopping experience, while rewarding them or the trust they show us every day.

Both My Alumil and Alumilia are important steps in the direction of development and modernization of acquisition process, being in the same time essential components of digitalization process. These intuitive and modern instruments are conceived to help our partners to cope with current and future challenges and to enjoy a more pleasant and efficient interaction experience with Alumil.

1.1.11 Company estate

Land and buildings

In terms of real estate properties in the Alumil Rom Industry S.A. estate, these are pieces of land located inside and outside the built-up area of localities, and also constructions, some of them ensuring the performance of the Company main activity.

Alumil Rom Industry owns a piece of land of 50,003 sq. m. located in Filipestii de Padure acquired in 2008 from the subsidiary S.C. Alumil Extrusion S.R.L. on which the real estate property with the total area of 8,135 sq. m. was commissioned and the land of 19,102 sq. m. purchased in Filipestii de Padure in 2009.

In December 2010 Alumil Rom Industry SA purchased in Filipestii de Padure a hall with a built area of 3,081 square meters and the related land of 11,996 sq. m.

(All amounts are expressed in RON, unless otherwise stated)

1. Analysis of the company activity (continued)

In July 2013, the building of the new production and storage hall as part of the project performed through SOP IEC was completed, with an area 8,135 square meters, and located in Filipestii de Padure, Minieri Village, where the production activity is currently performed.

In 2024 the buildings and land owned by the Company have been revalued to RON 26,198,127 buildings and RON 3,183,932 land.

Tools and machinery

The table below details the equipment, installations and other major assets of the Company. The most important movable property of the Company is the dyeing installation put into operation in 2013. Additionally the Company records various other tools and machinery of lower value.

Category	Description	Date of purchase	Purchase value (RON)
Tool	ELECTROSTATIC PAINTING INSTALLATION SOP IEC 154271	25-Jun-2013	2,251,811
Tool	THERMAL BREAK PRODUCTION LINE SOP IEC 154271/18.05.2011	10-Jul-2013	1,485,683
Tool	WOOD-EFFECT ELECTROSTATIC PAINTING INSTALLATION SOP IEC 154271	25-Jun-2013	1,015,542
Tool	FILIPESTI TREATMENT PLANT SOP IEC 154271/18.05.2011	12-Jul-2013	744,703
Tool	AUTOMATIC SYSTEM FOR WATER TREATMENT THROUGH FILTERING AND DEMINERALIZATION	10-Dec-2013	383,690
Tool	AUTOMATIC SYSTEM FOR STORAGE ON SHELVES SOP IEC 154271/18.05.2011	15-Jul-2013	342,886
Tool	SINGLE-BEAM TRAVELLING CRANE 154271/18.05.2011	1-Jun-2013	308,270
Tool	SINGLE-BEAM TRAVELLING CRANE 154271/18.05.2011	1-Jun-2013	308,270
Tool	FOUR-WAY LIFTING TOOL/SERIES 21719 SOP IEC 154271/18.05.2011	17-Jun-2013	221,091
Tool	FOUR-WAY LIFTING TOOL/SERIES 21720 SOP IEC 154271/18.05.2011	17-Jun-2013	221,091
Tool	ELECTRICAL AND PNEUMATIC SYSTEM FOR ELECTROSTATIC PAINTING INSTALLATION SOP IEC 154271	14-Jun-2013	126,464
Tool	LIFTING SYSTEM FOR PALLETS/BASKETS SOP IEC 154271	10-Jul-2013	122,769

In 2024 there were endownments of warehouses and office spaces of RON 272,444, equipment amounting to RON 84,320 and IT equipment amounting to RON 135,322 were purchased.

2. The market for the securities issued by the Company

2.1. The markets on which the securities issued by the Company are negotiated

The shares of ALUMIL ROM INDUSTRY S.A. are traded on the market managed by the Bucharest Stock Exchange in Category Standard, section Equity Securities and the Shareholders’ Register is managed by the Central Depository SA Bucharest.

(All amounts are expressed in RON, unless otherwise stated)

2. The market for the securities issued by the Company (continued)

2.2. Policy regarding the dividends

The table below details the dividends proposed by the Board of Directors for 2024 and 2023.

	2024	2023
Retained earnings	1,709,894	1,446,067
Retained earnings from first-time adoption of IAS 29	6,458,159	6,458,159
Net profit	5,318,595	6,513,827
Dividends proposed	5,312,500	6,250,000
Level of appropriation of profit/retained earnings	39.39%	43.35%

Source: Company.

* For 2024, the profit appropriation proposition will be subject to the approval of the SGM of 28 April 2025.

3. Management of the Company

3.1. Company administrators

The current composition of the Company Board of Directors is detailed below:

No.	Name	Position	Date of appointment	Date of expiry of the term
1.	Georgios Mylonas	President of the Board	26.04.2024	27.04.2026
2.	Evangelia Mylona	Member of the Board	28.04.2018	27.04.2026
3.	Spyridon Mavrikakis	Member of the Board	26.04.2024	27.04.2026
4.	Marius Ionita	Member of the Board/C.E.O.	28.04.2018	27.04.2026
5.	Georgios Doukidis	Member of the Board	28.04.2018	27.04.2026

a) Any agreement, understanding or family relation between the administrators and another person having influenced their appointment as an administrator:

Mrs. Evangelia Mylona is Mr. Georgios Mylonas' sister, the latter being the President of the Board of Administration of the parent company - ALUMIL ALUMINIUM INDUSTRY S.A. GREECE.

b) Administrators' contribution to the capital of S.C. ALUMIL ROM INDUSTRY S.A.

No.	Name	Position	No. of shares held	% before IPO	% after IPO
1.	Georgios Mylonas	President of the Board	5,000	0.02%	0.02%
2.	Evangelia Mylona	Member of the Board	5,000	0.02%	0.02%
3.	Spyridon Mavrikakis	Member of the Board	-	-	-
4.	Marius Ionita	Member of the Board/C.E.O.	600	0.00%	0.00%
5.	Georgios Doukidis	Member of the Board	-	-	-

3.2. Members of the executive management of S.C. ALUMIL ROM INDUSTRY S.A.

The daily operations of the Company are performed by the following managers who are employed by the Company:

(a) Ionita Marius – C.E.O.
(b) Duca Vitalie – Commercial Director
(c) Balasca Ciprian – C.F.O.

(All amounts are expressed in RON, unless otherwise stated)

3. Management of the Company (continued)

Contribution of the executive management to the capital of the company

No.	Name	Position	No. of shares held
1.	Ciprian Balasca	C.F.O.	1,000
2.	Marius Ionita	C.E.O.	600
3.	Vitalie Duca	Commercial Director	600

3.3 Information on the relations with affiliates, subsidiaries and associates

The relations with related companies and daughter companies are detailed below:

Name of entity	Nature of operation with the Company	Country of origin
Alumil EGE SA	Shareholder – Alumil Rom Industry (40.00%)	Turkey
Alumil MISR for Aluminium and Industry SA	Shareholder – Alumil Rom Industry (40.00%)	Egypt
Alumil Aluminium Industry SA	Parent and main supplier of semi-finished goods	Greece
Alumil Industry SRL	Subsidiary of the parent, Alumil Mylonas (70.00%)	Moldova
Alumil Bulgaria	Subsidiary of the parent, Alumil Mylonas (99.98%)	Bulgaria
Alumil Albania Shpk	Subsidiary of the Company – Alumil Group LTD Cyprus (99.23%)	Albania
Alumil YU Industry SA Serbia	Subsidiary of the parent, Alumil Mylonas (48.35%)	Serbia
ALPRO Vlasenica AD Bosnia	Subsidiary of the company – Alumil YU Industry SA Serbia (61.37%)	Bosnia
Alumil LLC	Subsidiary of the parent, Alumil Mylonas (100.00%)	Ucraine
Alumil Group LTD	Subsidiary of the parent, Alumil Mylonas (100.00%)	Cyprus

The individuals referred to at points 3.1.a, 3.1.b and 3.2. are also affiliates.

3.4. The Company internal control includes the following main components:

- A clear definition of responsibilities;
- Work procedures;
- Code of conduct;
- Internal dissemination of relevant information;
- Analysis of main risks and procedures for managing these risks;
- Appropriate control activities for each process;
- Outsourced contract for internal audit.

Control aims at the application of the internal rules and procedures, at all hierarchical and functional levels: approval, authorization, verification, operating performances evaluation, asset securing, and task separation.

Internal accounting and financial control is a major item of internal control and its main formalizing items relate to:

- The existence of an accounting policy manual, as well as of procedures to apply the related controls;
- Knowledge of the accounting and fiscal legislation's evolution;
- The performance of specific controls on sensitive matters;
- The identification and appropriate treatment of deviations;
- Adapting the software to the entity's needs;
- Ensuring the accuracy and exhaustiveness of the accounting records;
- Complying with the quality characteristics of the information included in the financial statements.

3.5 SGM competence and shareholders' rights

The SGM's competence and shareholders' rights are in accordance with national law.

(All amounts are expressed in RON, unless otherwise stated)

4. Financial and accounting statement

Assets and liabilities during 2024 - 2023

RON

Balance sheet items	**2024**	**2023**
Non-current assets	**45,557,891**	**28,175,282**
Intangible assets	69,971	147,788
Tangible assets	32,005,128	17,306,459
Right of use assets from leasing agreements	6,152,563	2,982,184
Financial assets	7,330,229	7,320,857
Loans granted to related parties	-	-
Deferred tax asset	-	417,994
Current assets	**53,273,592**	**47,048,892**
Inventories	22,378,234	20,765,210
Receivables	25,561,703	21,657,742
Loans granted to related parties	2,374,673	2,474,403
Petty cash and bank accounts	2.958.982	2.151.537
TOTAL ASSETS	**98,831,483**	**75,224,174**
Equity	71,005,135	57,926,771
Long-term liabilities	9,219,136	4,101,008
Current liabilities	18,607,212	13,196,395
TOTAL LIABILITIES	**98,831,483**	**75,224,174**

Profit and loss statement for 2024 - 2023

RON

	2024	**2023**
Sale revenues	113,024,934	118,154,689
Cost of sales	(75,415,589)	(80,830,779)
Gross margin	**37,609,345**	**37,323,910**
Other operating income	1,306,766	959,057
Sale and distribution expenses	(25,712,878)	(22,537,231)
Administrative expenses	(6,467,999)	(7,374,478)
Operating profit	**6,735,234**	**8,371,258**
Interest and related income	183,178	198,008
Interest expense	(536,166)	(458,049)
Foreign exchange gains/(losses)	(44,041)	(134,795)
Profit before tax	**6,338,205**	**7,976,422**
Current income tax charge	(931,622)	(1,494,953)
Deferred income tax	(87,988)	32,358
Net profit for the year	**5,318,595**	**6,513,827**
Earnings per share	**0.1702**	**0.2084**

President of the Board of Directors,
Georgios Mylonas

C.E.O.
Marius Ionita

Statement of the Board of Directors
of ALUMIL ROM INDUSTRY Company

The Board of Directors of ALUMIL ROM INDUSTRY Company hereby states that they undertake the liability for the preparation of the annual financial statements as at 31 December 2024.

The Board of Directors of ALUMIL ROM INDUSTRY Company hereby confirms the following concerning the annual financial statements as at 31 December 2024:

a) The annual financial statements are prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union.
b) The accounting policies used for the preparation of the annual financial statements are in compliance with the applicable accounting regulations;
c) The annual financial statements give a fair view of the financial position, financial performance and of the other information regarding the activity performed;
d) The Company performs its activity under the going concern principle.

This Statement is compliant with the provisions of Art. 30 of Accounting Law 82/1991 as republished.

PRESIDENT OF THE BOARD OF DIRECTORS,

Georgios Mylonas

INDEPENDENT AUDITORS' REPORT

To the shareholders of Alumil Rom Industry S.A.

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the accompanying separate financial statements of **Alumil Rom Industry S.A. ("the Company")** which comprise the statement of financial position 31 December 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

The separate financial statements mentioned above are identified as follows:

- Net assets/Total equity: RON 71,005,135
- Result for the year (profit): RON 5,318,595

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and of its financial performance and its cash flows for the year then ended, in accordance with the Order of the Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent changes and clarifications.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing („ISA"), Regulation (EU) no. 537/2014 of the European Parliament and of the Council („Regulation (EU) no. 537/2014") and Law 162/2017 („Law 162/2017") . Our responsabilities under those standards are further described in the „Auditor's Responsabilities for the Audit of the Financial Statements" section of our report.

We are independent of the Company, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), in accordance with the ethical requirements that are relevant to the audit of the financial statements in Romania, and we fulfilled our ethical responsibilities in accordance with these requirements and the IESBA Code.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance for the audit of the separate financial statements of the current period. These matters were addressed in the context of our audit of the separate financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. For each matter identified, we presented a description of our approach to address it during our audit.

<u>Accounts receivable</u>
They represent a key audit matter due to the significance of the trade receivables balance (representing 45.6% of the total current assets) and due to the uncertainties regarding the estimations for determination of the allowance adjustment.

As of 31 December 2024 the Company has receivables amounting to RON 27,335,647 before the allowance adjustment of RON 3,044,517). The identification and determination of the trade receivable allowance requires management to make judgement and assumptions, representing a process with a high level of uncertainty. The main assumptions considerred by the management in assessing the level of the allowance include: age of the balances, location of customers, existence of litigations / disputes, recent historic of the collections from the customer and any other available information on the creditworthiness of the customers.

Information on the trade receivables allowance is disclosed by the Company in Note 13 to the separate financial statements.

<u>Description of the auditor's response</u>
Our audit procedures focused on:

- assessing the assumptions considerred by the management of the Company (for example in relation to significant balances for which an allowance for trade receivables was recognised or in relation to aged balances for which no allowance was recognised);

- understanding the management's rationale used to identify and assess the allowances;

- obtaining corroborative audit evidence (for example testing the subsequent collections from the customers, analysis of evolution in time of the allowances and their correlation with the customers' balances and the estimated collection dates, correspondence with lawyers representing the Company in the disputes with customers, measures taken by the management to recover the outstanding amounts, checking the compliance with the internal procedures regarding the credit limit given to customers).

We considerred also the consistency of application of the policy for recognising an allowance with the prior years. Specifically we considerred the value of the allowances recognised in previous periods and used during the current year (by recognising in the result for the year of losses from bad debts written-off), as well as of amounts released to revenue as a result of the collections during the current year.

We assessed the adequacy of the Company's disclosures in the separate financial statements of trade receivable allowances.

Inventories
They represent a key audit matter due to the significance of the inventories balance (representing 42.0% of the total current assets) and due to the uncertainties regarding the estimations for determination of the allowance adjustment.

As of 31 December 2024 the Company has inventories amounting to RON 23,705,357 (before the allowance adjustment of RON 1,327,123). The identification and determination of the inventories allowance requires management to make judgement and assumptions, representing a process with a high level of uncertainty. The main assumptions considerred by the management in assessing the level of the allowance include: age of the inventories, physical condition of the inventories, the net realisable value of the inventories, if the inventories can be returned to supplier, etc.

Information on the inventories allowance is disclosed by the Company in Note 12 to the separate financial statements.

Description of the auditor’s response
Our audit procedures focused on:

- assessing the assumptions considerred by the management of the Company (for example in relation to significant balances for which an allowance for slow moving inventories, inventories without movment or damaged inventories for which no allowance was recognised);

- understanding the management’s rationale used to identify and assess the allowances;

- obtaining corroborative audit evidence (for example testing the subsequent sales to ensure ourselves that the inventories are sold at the minimum cost value, analysis of evolution in time of the allowances and their correlation with the inventories’ balances, checking the compliance with the internal procedures regarding the identification of slow moving inventories, inventories without movment or damaged inventories, assessment of physical count instructions and procedures, attending the physical count and testing a sample of inventories).

We considerred also the consistency of application of the policy for recognising an allowance with the prior years. Specifically we considerred the value of the allowances recognised in previous periods and used during the current year, as well as of amounts released to revenue.

We assessed the adequacy of the Company’s disclosures in the separate financial statements of trade receivable allowances.

Other Information

Other information include the Annual Aministrator’ s Report and the Remuneration Report.

Management is responsible for the preparation and disclosure of other information. The other information includes the Administrator’s Report, but does not include the separate financial statements and the auditor’s report thereon.

Our audit opinion on the separate financial statements does not cover the other information and unless stated in our report, we do not express any form of assurance conclusion on it.

In connection with our audit of the separate financial statements for the year ended 31 December 2024, our responsibility is to read this other information and, in doing so, consider whether the other information is materially inconsistent with the separate financial statements, or with our other knowledge obtained during the audit, or otherwise appears to be materially misstated. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Separate Financial Statements

Management is reponsible for the preparation and fair presentation of the separate financial statements in accordance with the Order of Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent changes and clarifications, and for such internal control as management determines is neccessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements, as a whole, are free of material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conduscted in accordance with ISA will always detect a material misstatement, when it exists.

Misstatements may arise from fraud or error and are considerred material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisons of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISA, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatements of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations and the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the the purpose of expressing an opionion on the effectiveness of the Company's internal control.

- Assess the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

- Assess the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rarely circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements responsibilities

Reporting on Information Other Than the Financial Statements and Our Audit Report Thereon

In addition to our reporting responsibilities according to ISA described in section "Other Information", with respect to the Administrators' Report, we have read the Administrators' Report and report that:

- In the Annual Administrator's Report we have not identified information which is not consistent, in all material respects, with the information presented in the accompanying separate financial statements as at 31 December 2024;

- The Annual Administrator's Report, identified above, includes, in all material respects, the required information according to the provisions of the Ministry of Public Finance Order no. 2844/2016, approving the accounting regulations compliant with the International Reporting Standards, with all subsequent changes and clarifications, Annex 1, points 15-19;

- Based on our knowledge and understanding of the entity and its environment acquired during our audit of the separate financial statements as at 31 December 2024, we have not identified information included in the Administrators' Report that contains a material misstatement of fact;

- The Remuneration Report, identified above, includes, in all material respects, required information according to the provisions of the article 107 (1) and (2) of the Law 24/2017 on issuers of financial instruments and market operations.

Other Requirements on Content of the Auditor's Report in Compliance with the Regulation (EU) no. 537/2014 of the European Parliament and of the Council

Appointment and Approval of the Auditor

We have been appointed as auditors of the Company by the General Meeting of Shareholders on 26 April 2024 to audit the financial statements for the financial year ended 31 December 2024. The total uninterrupted engagement period, including the reappointments, was 8 years, covering the financial years ended from 31 December 2017 to 31 December 2024. The Audit Partner was changed for 2024.

Provision of Non-audit Services

No prohibited non-audit service mentioned in article 5 paragraph (1) of the Regulation (EU) no. 537/2014 of the European Parliament and of the Council were provided by us to the Company and we remain independent from the Company during the audit period.

Report on the Compliance of the Electronic Format of the Financial Statements (XHTML) with the Requirements of ESEF Regulation

We performed a reasonable assurance engagement on the compliance of the financial statements of Alumil Rom Industry S.A. ("the Company") for the financial year ended 31 December 2024 presented in XHTML format with the requirements of the Commission Delegated Regulation (EUR) 2018/815 from 17 December 2018 supplementing Directive 2004/109/CE of the European Parliament and of the Council with regards to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation").

These procedures refer to testing the format and whether the electronic format of the financial statements (XHTML) corresponds to the audited financial statements and expressing an opinion on the compliance of the electronic format of the financial statements of the Company for the year ended 31 December 2024 with the requirements of the ESEF Regulation. In accordance with these requirements, the electronic format of the financial statements should be presented in XHTML format.

Responsibilities of Management and Those Charged with Governance

Management is reponsible for the compliance with the requirements of the ESEF Regulation in the preparation of the electronic format of the financial statements in XHTML format and for ensuring consistency between the electronic format of the financial statements and audited financial statements.

The responsibility of the Management also includes the design, implementation and maintenance of such internal controls as determined is necessary to enable the preparation of the financial statements in ESEF format that are free from any material non-compliance with the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process for the preparation of financial statements, including the application of the ESEF Regulation.

Auditors' Responsibilities

Our responsibility is to express an opinion providing reasonable assurance on the compliance of the electronic format of the financial statements with the requirements of the ESEF Regulation.

We have performed a reasonable assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ("ISAE 3000 revised")). This standard requires that we comply with ethical requirements, plan and perform our engagement to obtain reasonable assurance about whether the electronic format of the financial statements of the Company is prepared, in all material respects, in accordance with the ESEF Regulation, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but is not guaranteed that the assurance engagement conducted in accordance with ISAE 3000 (revised) will always detect material non-compliance with the requirements when it exists.

Our Independence and Quality Control

We apply International Standard on Quality Management (ISQM) 1, "Quality Management for the Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards an applicable legal and regulatory requirements to the registered auditors in Romania.

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

Summary of Procedures Performed

The objective of the procedures that we have planned and performed was to obtain reasonable assurance that the electronic format of the financial statements is prepared, in all material respects, in accordance with the requirements of the ESEF Regulation. When conducting our assessment of the compliance with the requirements of the ESEF Regulation of the electronic reporting format (XHTML) of the financial statements of the Company, we have maintained professional skepticism and applied professional judgement. We have also:

- obtained an understanding of the internal control and the processes related to the application of the ESEF Regulation in respect of the financial statements of the Company, including the preparation of the financial statements of the Company in XHTML format;

- tested the validity of the applied XHTML format;

- checked whether the electronic format of the financial statements (XHTML) corresponds to the audited financial statements.

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

Opinion on the Compliance of the Electronic Format of the Financial Statements with the Requirements of the ESEF Regulation

Based on the procedures performed, our opinion is that the electronic format of the financial statements is prepared, in all material respects, in accordance with the requirements of the ESEF Regulation.

Andreas Trapezaris
Partner
Registered in the electronic Public Register under no. AF1234

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS) Auditor financiar: Andreas Trapezaris Registrul Public Electronic: AF 1234

On behalf of Accordserve Advisory SRL
Registered in the electronic Public Register under no. FA110

Autoritatea pentru Supravegherea Publică a Activității de Audit Statutar (ASPAAS) Firma de Audit: Accordserve Advisory Srl Registrul Public Electronic: FA 110

Bucharest, Romania
25 March 2025

(All amounts are expressed in RON, unless otherwise stated)

	Notes	2024	2023
Net revenue	**23**	**113,024,934**	**118,154,689**
Cost of sales	**24**	(75,415,589)	(80,830,779)
Gross margin		**37,609,345**	**37,323,910**
Other operating income	**23**	1,306,766	959,057
Sale and distribution expenses	**25**	(25,712,878)	(22,537,231)
Administrative expenses	**26**	(6,467,999)	(7,374,478)
Operating profit		**6,735,234**	**8,371,258**
Interest income		183,178	198,008
Interest expense	**28**	(536,166)	(458,049)
Foreign exchange gains/(losses)		(44,041)	(134,795)
Profit before tax		**6,338,205**	**7,976,422**
Current income tax charge	**21**	(931,622)	(1,494,953)
Deferred income tax	**21**	(87,988)	32,358
Net profit for the year		**5,318,595**	**6,513,827**
Other comprehensive income		-	-
Comprehensive income for the year		**5,318,595**	**6,513,827**
Earnings per share		**0.1702**	**0.2084**

Marius Ionita
C.E.O.

Ciprian Balasca
C.F.O.

(All amounts are expressed in RON, unless otherwise stated)

	Notes	31 December 2024	31 December 2023
Non-current assets			
Intangible non-current assets	**8**	69,971	147,788
Tangible non-current assets	**7**	32,005,128	17,306,459
Right of use assets from leasing contracts	**9**	6,152,563	2,982,184
Shares in affiliates	**10**	7,136,564	7,136,564
Long-term receivables	**11**	193,665	184,293
Deferred tax asset	**20**	-	417,994
Total non-current assets		**45,557,891**	**28,175,282**
Current assets			
Inventories	**12**	22,378,234	20,765,210
Receivables	**13**	24,291,130	20,887,533
Other receivables and prepayments	**14**	1,270,573	770,209
Loans to affiliates		2,374,673	2,474,403
Cash and cash equivalents	**15**	2,958,982	2,151,537
Total current assets		**53,273,592**	**47,048,892**
TOTAL ASSETS		**98,831,483**	**75,224,174**
LIABILITIES AND EQUITY			
Equity			
Capital	**16**	10,337,676	10,337,676
Share premiums		26,693,396	26,693,396
Retained earnings		13,486,648	14,418,053
Reserves		6,477,646	6,477,646
Revaluation reserves		14,009,769	-
Total equity		**71,005,135**	**57,926,771**
Long-term liabilities			
Long-term loans	**18**	-	-
Investment subsidies	**19**	2,677,757	2,993,950
Lease liabilities	**20**	4,202,781	1,107,058
Deferred income tax	**21**	2,338,598	-
Total long-term liabilities		**9,219,136**	**4,101,008**
Current liabilities			
Suppliers and other payables	**22**	6,639,837	6,560,027
Lease liabilities	**20**	2,040,470	1,992,604
Short-term loans	**18**	10,196,905	4,179,297
Current income tax payable	**21**	-	464,467
Total current liabilities		**18,607,212**	**13,196,395**
LIABILITIES AND EQUITY – TOTAL		**98,831,483**	**75,224,174**

These financial statements and the accompanying notes were approved by the Board of Directors and signed on their behalf on 25 March 2025.

Marius Ionita	Ciprian Balasca
C.E.O.	C.F.O.

	Capital	Share premium	Reserves	Revaluation reserves	Retained earnings	Total equity
1 January 2023	**10,337,676**	**26,693,396**	**6,477,646**	**-**	**14,154,226**	**57,662,944**
Dividends distributed	-	-	-	-	(6,250,000)	(6,250,000)
Profit for 2023	-	-	-	-	6,513,827	6,513,827
31 December 2023	**10,337,676**	**26,693,396**	**6,477,646**	**-**	**14,418,053**	**57,926,771**
Dividends distributed	-	-	-	-	(6,250,000)	(6,250,000)
Profit for 2024	-	-	-	-	5,318,595	5,318,595
Fixed assets revaluation	-	-	-	14,009,769	-	14,009,769
31 December 2024	**10,337,676**	**26,693,396**	**6,477,646**	**14,009,769**	**13,486,648**	**71,005,135**

The legal reserves of the Company, set in accordance with the Company Law, are in an amount RON 1,250,000 as at 31 December 2024 (31 December 2023: RON 1,250,000).

The legal reserve is set in accordance with the provisions of the Romanian Company Law, which requires that 5% of the annual accounting profit is transferred to legal reserves until the balance of this reserve reaches 20% of the share capital of the Company. If this reserve is used in full or in part for covering the losses or for the distribution in any way (such as issuing of new shares according to the Companies Law), it becomes taxable.

The revaluation reserves are set as a result of the valuation of Company's buildings and land and at fair value as of 31 December 2024.

(All amounts are expressed in RON, unless otherwise stated)

	2024	**2023**
Cash flows from operating activities		
Profit before tax	**6,338,205**	**7,976,422**
Adjustments for monetary items:		
Amortization expenses 7, 8, 9	4,596,594	4,495,737
Setting /(reversal) of provisions for doubtful customers and inventories	(1,245,916)	(1,368,468)
Setting /(reversal) of provisions, net	-	-
(Profit) /loss from sale of tangible assets	(147,094)	-
Revenues from reversal of investment subsidies	(316,193)	(328,863)
Interest (income)/expenses – net	257,025	209,177
Operating income before other changes in working capital	**9,482,621**	**10,984,005**
(Increases)/Decreases in trade and other receivables	(2,774,553)	(3,638,392)
(Increase)/decrease in inventories	(1,368,769)	3,217,366
Increases/(decreases) in suppliers and other payables	2,953,398	(1,130,551)
Net cash after changes in working capital	**8,292,697**	**9,432,428**
Income tax paid	(1,615,865)	(1,070,806)
Interest paid	(277,160)	(407,185)
Net cash generated from / (used in) operating activities	**6,399,672**	**7,954,437**
Net cash flows from investment		
Fixed assets value adjustments for from revaluation	(16,678,373)	-
Valuation reserves	14,009,769	-
Purchases of tangible, intangible and financial assets 7, 8, 10	(121,472)	(1,200,243)
Interest received	20,135	198,008
Cash advances and loans granted to affiliates	-	-
Net cash generated from / (used in) investment	**(2,769,941)**	**(1,002,235)**
Cash flows from finance activities		
Dividends paid	(6,250,000)	(6,250,000)
Loans received 18	6,017,608	1,967,713
Loans reimbursement 18	-	-
Payments for lease liabilities	(2,589,894)	(2,481,099)
Net cash (used in) finance activities	**(2,822,286)**	**(6,763,386)**
Increase/(decrease) in cash and cash equivalents	807,445	188,816
Cash and cash equivalents at beginning of period	**2,151,537**	**1,962,721**
Cash and cash equivalents at the end of period	**2,958,982**	**2,151,537**

1. GENERAL INFORMATION

ALUMIL ROM INDUSTRY S.A. is a Romanian trading company with private capital, having head office in Bucharest, Soseaua Bucuresti Ploiesti no. 42-44, Complex Baneasa Business & Technologiy Park, Sector 1, Romania, having a national distribution network through the warehouses from Bucharest, Alba-Iulia, Bacau, Baia-Mare, Bistrita, Brasov, Cluj-Napoca, Craiova, Constanta, Galati, Iasi, Pitesti, Ploiesti, Slatina, Targu-Mures, Timisoara, Filipestii de Padure. Alumil Rom Industry is a joint-stock company. Starting May 2007, the Company shares are listed on the Bucharest Stock Exchange.

ALUMIL ROM INDUSTRY S.A. Company is a member of a European multinational industrial group involved in Aluminum extrusion. The direct and ultimate parent of the Company is ALUMIL ALUMINIUM INDUSTRY S.A., a company with the trading name ALUMIL S.A., established in 1998, registered in Kilkis, Greece, 61100.

The main activity of the Company

ALUMIL ROM INDUSTRY S.A. sells Aluminum profiles and accessories, equipment for Aluminum joinery, interior doors and Aluminum panels.

Going concern

The financial statements have been prepared on the assumption that assuming that the Company will continue its activity without important changes in the predictable future.

2. OPERATING ENVIRONMENT

In recent years, Romania has undergone substantial political and economic changes. Romania is a market with a developing business infrastructure. The operations performed in Romania involve risks. The dynamic regarding the political, legal and tax environments could significantly affect the Company’s ability to perform its commercial activity and it is not possible to estimate what changes may occur or their effect on the Company’s financial conditions or future operating results.

3. BASIS FOR PREPARATION

The separate financial statements of the Company have been prepared in accordance with the provisions of Order of the Minister of Public Finance no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards applicable to companies whose securities are admitted to trading on a regulated market, with all subsequent changes and clarifications. These provisions are aligned with the requirements of the International Financial Reporting Standards (IFRS) as endorsed by the European Union (EU), with the exception of the provisions of IAS 21 The Effects of Changes in Foreign Exchange Rates regarding the functional currency. For the purposes of the preparation of these financial statements in accordance to Romanian legislative requirements, the functional currency of the Company is deemed to be the Romanian Leu (RON).

For all periods up to and including the year ended 31 December 2011, the Company prepared its financial statements in accordance with Romanian generally accepted accounting practice (MOF 3055/2009 as subsequently amended). Starting the year ended 31 December 2012, the Company prepares separate financial statements according to IFRS.

The financial statements are presented in RON and all amounts are rounded to the nearest RON, unless otherwise stated. The financial statements have been prepared on a historic cost basis.

The Company also prepared for the period 2007 – 2017 consolidated financial statements according to IFRS as adopted by the EU, which are available on the Company website www.alumil.com/ro.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The adopted accounting policies are consistent with those applied in the prior financial year, except the following:

Measurement of tangible assets measurement after initial recognition

In 2024, the Company decided to measure Land and Buildings, after initial recognition, based on **Revaluation Model,** where the asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably.

Under the Revaluation Model, revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the balance sheet date. If an item is revalued, the entire class of assets to which that asset belongs should be revalued. Revalued assets are depreciated in the same way as under the Cost Model.

If a revaluation results in an increase in value, it should be credited to other comprehensive income and accumulated in equity under the heading "revaluation surplus" unless it represents the reversal of a revaluation decrease of the same asset previously recognized as an expense, in which case it should be recognized in profit or loss. A decrease arising as a result of a revaluation should be recognized as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset.

When a revalued asset is disposed of, any revaluation surplus may be transferred directly to retained earnings, or it may be left in equity under the heading revaluation surplus. The transfer to retained earnings should not be made through profit or loss.

Group management has assigned certified appraisers to carry out an assessment of the fair values of Land and Buildings owned by the Company.

As a result of the revaluation, the value of the land increased by RON 1,033,851, respectively of the buildings by RON 15,644,522 and the revaluation reserve was set up in the net amount of RON 14,009,769 (the surplus from the revaluation of RON 16,678,373 minus the deferred tax resulting in the amount of RON 2,668,604).

Amended IFRS, which were adopted by the Company as of 1 January 2024:

- **International Tax Reforma – Pillar Two Model Rules – Amendments to IAS 12**
  The standard came into force for annual periods beginning on or after January 1, 2024.

  In May 2023, the Board issued amendments to IAS 12 *Income Tax*, which introduce a mandatory exception from recognising and disclosing deferred tax (asset or liability) related to Pillar Two income taxes. The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implenet the Pillar Two Model Rules published by the OECD, including tax law legislatia that implements qualified domestic minimum top-up taxes.

  The amendments require the entity to disclose that it has applied the exception to recognisiong and disclosing information about deferred tax (asset or liability) related to Pillar Two income taxes referitor la Pilonul doi impozit pe profit, precum si prezentarea separata a impozitului pe profit curent (cheltuiala/credit) referitor la Pilonul doi impozit pe profit, in the periods when the legislation is effective.

  The amendments are effective immediately upon issuance, but certain disclosure requirements are effective later.

  Management assessed that the impact of these amendments on the financial statements is limited.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

- **Classification of Liabilities as Current or Non-Current – Amendments to IAS 1**
  The amendments become effective for annual periods beginning on or after 1 January 2024. Amendments were issued to paragraphs 69 to 76 of IAS 1 *Presentation of Financial Statements* to specify the requirements for classifying liabilities as current or non-current.

  The amendments clarify:

  - What is meant by a right to defer settlement
  - That a right to defer settlement must exist at the end of the reporting period
  - That classification is unaffected by the likelihood that an entity will exercise its referral right
  - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification
  - Disclosures

  Management assessed that the impact of these amendments on the financial statements is limited.

- **Lease Liability in a Sale and Leaseback – Amendments to IFRS 16**
  The amendments specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

  After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines “lease payments“ or “revised lease payments“ in such a way that the seller-lessee would not recognize any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

  The amendment become effective for annual periods beginning on or after 1 January 2024. Early adoption is permitted and that fact must be disclosed.

  Management assessed that the impact of these amendments on the financial statements is limited.

- **Disclosures: Supplier Finance Arrangements – Amendments to IAS 7 and IFRS 7**
  The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist the users of financial statements in understanding the effect of supplier finance arrangements on an entity’s liabilities, cash flows and exposure to liquidity risk.

  The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity’s suppliers.

  The amendments become effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

  Management assessed that the impact of these amendments on the financial statements is limited.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Standards issued but not yet effective and not early adopted

- **Lack of exchangeability – Amendments to IAS 21**
  The amendments to IAS 21 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 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, the entity is required to estimate the spot exchange rate at the measurement date and to present this information.

  The amendments become effective for annual periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed.

  Management did not assess yet the impact of this new standard on the financial statements.

- **Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7**
  The amendments:

  - Clarifies that a financial liability is derecognized on the “settlement date”, i.e. when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. It also introduces an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met
  - Clarifies how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features
  - Clarifies the treatment of non-recourse assets and contractually linked instruments
  - Requires additional disclosures in IFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income

  The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Earlier application of the amendments that relate to classification of financial assets plus related disclosures is permitted, the other amendments being adopted later.

  Management did not assess yet the impact of this new standard on the financial statements.

- **Annual Improvements to IFRS Accounting Standards – Volume 11**
  The amendments become effective for annual periods beginning on or after 1 January 2026.

  - IFRS 1 *First-time Adoption of International Financial Reporting Standards (IFRS)* - **Hedge Accounting by a First-time Adopter** – the amendments are intended to address potential confusion arising from inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9
  - IFRS 7 *Financial Instruments: Disclosures* – **Gain or Loss on Derecognition** - the amendments update the language in paragraph B38 of IFRS 7 and include a cross reference to paragraphs 72 and 73 of IFRS 13 *Fair Value Measurement*
  - Guidance on implementing IFRS 7 *Financial Instruments: Disclosures* – **Introduction** - the amendments to paragraph IG1 clarify that the guidance does not necessarily illustrate all the requirements in the referenced paragraph of IFRS 7, nor does it create additional requirements
  - Guidance on implementing IFRS 7 *Financial Instruments: Disclosures* – **Disclosure of Deferred Difference between Fair Value and Transaction Price** - Paragraph IG14 has been amended mainly to make the wording consistent with the requirements in paragraph 28 of IFRS 7 and with the concepts and terminology used in IFRS 9 and IFRS 13

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Standards issued but not yet effective and not early adopted (continued)

- **Annual Improvements to IFRS Accounting Standards – Volume 11 (continued)**

  - Guidance on implementing IFRS 7 *Financial Instruments: Disclosures* – **Credit Risk Disclosures** – Paragraph IG20B has been amended to simplify the explanation of which aspects of the IFRS requirements are not illustrated in the example
  - IFRS 9 *Financial Instruments* – **Lessee Derecognition of Lease Liabilities** - Paragraph 2.1 has been amended to clarify that, when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit and loss
  - IFRS 9 *Financial Instruments* – **Transaction Price** – Paragraph 5.1.3 has been amended to replace the reference to “transaction price” as defined by IFRS 15 *Revenue from Contracts with Customers* with “the amount determined by applying IFRS 15”. The use of the term “transaction price” in relation to IFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of IFRS 9
  - IFRS 10 *Consolidated Financial Statements* – **Determination of a “De Facto Agent”** – Paragraph B74 of IFRS 10 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor. The amendments are intended to remove the inconsistency with the requirement in paragraph B73 for an entity to use judgement to determine whether other parties are acting as de facto agents
  - IAS 7 *Statement of Cash Flows* – **Cost Method** – Paragraph 37 has been amended to replace the term “cost method” with “at cost”.

  Management did not assess yet the impact of this new standard on the financial statements.

- **Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7**
  The amendments include:

  - Clarifying the application of the “own-use” requirements
  - Permitting hedge accounting if these contracts are used as hedging instruments

  The amendments become effective for annual periods beginning on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed.

  Management did not assess yet the impact of this new standard on the financial statements.

- **IFRS 18 – Presentation and Disclosure in Financial Statements**
  The amendments became effective for annual periods beginning on or after 1 January 2027. Early adoption is permitted and must be disclosed.

  IFRS 18 replaces IAS 1, introducing new categories and subtotals in the statements of profit or loss. It also requires disclosure of management-defined performance measures and includes new requirements for the location, aggregation and disaggregation of financial information.

  An entity will be required to classify all income and expenses within its statement of profit or loss into one of five categories: operating; investing; financing; income taxes; and discontinued operations. In addition, IFRS 18 requires an entity to present subtotals and totals for “operating profit or loss”, “profit or loss before financing and income taxes” and “profit or loss”.

  IFRS 18 introduces the concept of a management-defined performance measure (MPM) and requires disclosure of information of all of an entity’s MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by IFRS 18 or another IFRS accounting standard.

4. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES (continued)

Standards issued but not yet effective and not early adopted (continued)

- **IFRS 18 – Presentation and Disclosure in Financial Statements (continued)**

  IFRS 18 differentiates between "presenting" information in the primary financial statements and "disclosing" it in the notes. IFRS 18 requires aggregation or disaggregation of information to be performed with reference to similar or dissimilar characteristics.

  IFRS 18 determined amendments to IAS 7 *Statement of Cash Flows*, IAS 33 *Earnings per Share* and IAS 34 *Interim Financial Reporting*.

  Management did not assess yet the impact of this new standard on the financial statements.

- **IFRS 19 – Subsidiaries without Public Accountability: Disclosures**
  The amendments became effective for annual periods beginning on or after 1 January 2027. Early adoption is permitted.

  IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements of other IFRS accounting standards.

  An entity applying IFRS 19 is required to disclose that fact as part of its general IFRS accounting standards compliance statement.

  An entity is eligible to apply IFRS 19 if at the end of the reporting period:

  - It is a subsidiary as defined in IFRS 10;
  - It does not have public accountability; and
  - Is has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

  IFRS 19 disclosures exclude IFRS 8 *Operating Segments*, IFRS 17 *Insurance Contracts* and IAS 22 *Earnings per Share*.

  Management did not assess yet the impact of this new standard on the financial statements.

- **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFR 10 and IAS 28**
  The amendments address the conflict between IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures* in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture.

  The amendments must be applied prospectively. Early application is permitted and must be disclosed.

  Management did not assess yet the impact of this new standard on the financial statements.

5. SUMMARY OF ACCOUNTING POLICIES

The significant accounting policies adopted for the preparation of the financial statements are detailed below:

a) *Estimates and assumptions*

The preparation of the IFRS financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and related information, and the disclosure of contingent liabilities, at the end of the reporting period. Real results may be different from these estimates. These estimates are reviewed periodically and, where adjustments are required, they are reported in income statement in the periods when they occur.

Uncertainty about these assumptions and estimates could result in material adjustments in the future to the amounts disclosed on the financial statements.

The Company makes estimates concerning the capacity to cash in the invoices having overdue maturities and set provisions for that portion of the receivables for which the receipt becomes uncertain. Specific provisions are set for the clients against which legal procedures were opened, regardless of their age. For invoices older than one year, the Company sets provisions covering 100% of their value. For determining this percentage, the Company is analyzing the history of receipts and the current economic conditions. If recent information shows that it is necessary to adjust the provision, the Company will register an adjustment of it in the period when the conditions leading to the discounting of the provision were identified. Since the Company cannot foresee the changes in the clients' future financial stability, it is possible that, in the future, the setting of additional provisions will be necessary.

b) *Shares in affiliates*

The investments held in affiliates are disclosed on the Company separate financial statements at cost, minus potential impairment losses. The dividends receivable from the affiliates are recognized when the Company right to receive the payment is established. The impairment losses identified are recognized in profit and loss (Note 5f).

c) *Tangible assets*

Tangible assets are measured at cost, as adjusted for the effect of hyperinflation until 31 December 2003.

The initial cost of tangible assets comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

In 2024 the Company decided to change the valuation policy for land and buildings using Revaluation Model**,** where the asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably.

Under the Revaluation Model, revaluations should be carried out regularly, so that the carrying amount of an asset does not differ materially from its fair value at the balance sheet date. If an item is revalued, the entire class of assets to which that asset belongs should be revalued. Revalued assets are depreciated in the same way as under the Cost Model.

If a revaluation results in an increase in value, it should be credited to other comprehensive income and accumulated in equity under the heading "revaluation surplus" unless it represents the reversal of a revaluation decrease of the same asset previously recognized as an expense, in which case it should be recognized in profit or loss.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

c) Tangible assets (continued)

A decrease arising as a result of a revaluation should be recognized as an expense to the extent that it exceeds any amount previously credited to the revaluation surplus relating to the same asset.

When a revalued asset is disposed of, any revaluation surplus may be transferred directly to retained earnings, or it may be left in equity under the heading revaluation surplus. The transfer to retained earnings should not be made through profit or loss.

Expenditures incurred after the fixed assets have been put into operation, such as repairs and maintenance costs, are normally charged to the statement of comprehensive income in the period when they are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of the asset beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost.

Depreciation is charged on a straight-line basis, using the economic useful lives estimated by the management and considered to be representative from the perspective of the use Company using the future economic benefits generated by the assets. The subsequent improvement costs are capitalized and amortized over the remaining useful life of the asset. No depreciation is computed for land.

The estimated useful lives are as follows:

Category	Useful live (years)
Buildings and special constructions	20 – 60
Tools and machinery	5 – 15
Motor vehicles	4 – 6
Furniture	3 – 15

The estimated useful lives and depreciation method are reviewed periodically to ensure that they are consistent with the expected pattern of economic benefits from tangible assets.

The Company management assesses on an annual basis whether there is an indication that the net value of assets may be impaired. If any indication exists, the Company estimates the asset's recoverable amount and, where appropriate, it records impairment expenses for the difference between the recoverable amount and the net book value.

Tangible assets are eliminated from the balance sheet when the asset is disposed or when no benefits are expected from its use. Gains or losses on the retirement/sale of non-current assets are recognized in the statement of comprehensive income.

d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

e) Intangible assets

Intangible assets are measured at cost and are amortized on a straight-line basis over 3 to 5 years.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

f) Impairment of non-financial assets

According to IAS 36 *Impairment of Assets*, the value of the tangible, intangible and financial assets is assessed annually for identifying the circumstances indicating their impairment. Whenever the net value of an asset exceeds its recoverable amount, an impairment loss is recognized in the statement of comprehensive income for tangible and intangible assets.

The recoverable amount of an asset is the higher of the fair value less the costs generated by the asset's sale and the value in use.

The fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and the value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.

The recoverable amounts are estimated for individual assets, and when this is not possible, for cash flow generating units. The reversal of impairment losses recognized in prior years may only occur when there is an indication that the impairment loss previously recorded for that asset may no longer exist or may have decreased, the reversal is charged as income.

g) Financial assets

In accordance with IFRS 9 *Financial Instruments,* when the Company first recognizes a financial asset, it classifies it based on its business model for managing the asset and the asset's contractual cash flow characteristics as follows:

- Amortised cost – a financial asset is measured at amortised cost if both of the following conditions are met:

  - The asset is held within a business model whose objective is to hold assets in order to collect individual cash flows; and
  - The contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- Fair value through other comprehensive income – financial assets are classified and measured at fair value through othe comprehensive income if they are held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets;

- Fair value through profit and loss – any financial asetsa that are not held in one of the twom business models mentioned are measured at fair value through profit and loss.

When, and only when, an entity changes its business model for managing financial assets it must reclassify all affected financial assets.

Receivables and loans are the most relevant for the Company. Receivables and loans are non-derivative financial instruments with fixed determinable payments that are not quoted on an active market. After initial recognition, these financial assets are recognized at depreciated cost using the effective interest rate method. The depreciated cost is computed by taking into account any discount, premium or purchase costs that form the effective interest rate. The depreciation based on the effective interest rate is included in profit and loss under financial result. The losses resulted from depreciation are recognized in profit and loss under financial result, in case of loans, and under operating expenses, in case of receivables.

Financial assets, other than FVTPL, are assessed for indicators of impairment at the end of each reporting period.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

g) Financial assets (continued)

Financial assets are considered impaired when there is objective proof that, following one or several events that took place after the initial recognition of the financial asset, the estimated future cash flows of the investment were affected.

Objective proof of impairment could include:

- Significant financial difficulties of the issuer or partner; or
- Breaching the contract, such as the failure to comply with the financial obligations or deviations from the payments of interest or principal; or
- It becomes likely that the debtor will become insolvent or subject to financial reorganization; or
- The disappearance of an active market for the financial asset because of the financial difficulties.

For certain categories of financial assets, such as trade receivables, assets that are assessed as individually impaired are, in addition, assessed for impairment collectively. The objective proof of an asset's impairment could include the Company's past experience in collecting payments, an increase in the portfolio's number of late payments above the average credit period, as well as the noticeable changes in the national or local economic conditions that are correlated with the failure to comply with the financial obligations related to receivables.

The carrying amount of the financial asset is decreased by impairment losses directly for all financial assets, except for trade receivables, where the book value is decreased by using an allowance for impairment account. Subsequent recoveries of values canceled previously are credited to the allowance for impairment account. Changes in the carrying amount of the allowance for impairment account are recognized in profit and loss.

Impairment of financial assets is recognised in stages:

Stage 1 – as soon as a financial instrument is originated or purchased, 12-month expected credit losses are recognised in profit or loss and a loss allawance is established. This Serves as a proxy for the initial expectations of credit losses. For financial assets, interest revenue is calculated on the gross cattying amount (ie without deduction for expected credit losses);

Stage 2 – if the credit risk increases significantly and is not considered low, full lifetime expected credit losses are recognised in profit or loss. The calculation of interest revenue is the same as for Stage 1;

Stage 3 – if the credit risk of a financial assets increases to the point that it is considered credit-impaired, interest revenue is calculated based on the amortised cost (ie the gross carrying amount less the loss allowance). Financial assets at this stage will generally be assessed individually. Lifetime expected credit losses are recognised on these financial assets.

The financial assets are derecognized when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset (either directly or under a "pass-through" arrangement). The Company has no financial assets at fair value through profit and loss or financial assets available for sale.

h) Financial liabilities

In accordance with IFRS 9 *Financial Instruments*, the Company's financial liabilities are measured at amortized cost, except for the financial liabilities at fair value through profit or loss. Such liabilities include derivatives (other than derivatives that are financial guarantee contracts or are designed and effective hedging instruments), other liabilities held for trading, and liabilities that an entity designates to be measured at fair value through profit or loss (see "fair value option" below). After initial recognition, an entity cannot reclassify any financial liability.

(All amounts are expressed in RON, unless otherwise stated)

5. SUMMARY OF ACCOUNTING POLICIES (continued)

h) Financial liabilities (continued)

Fair value approach
The entity may, at the time of initial recognition, irrevocably designate a financial asset or financial liability that would otherwise be measured at amortized cost or fair value through other income to be measured at fair value through profit or loss if this approach would eliminate or would significantly reduce inconsistencies in measurement or recognition (sometimes referred to as “accounting mismatch”) or results in any other way in more relevant information.

The Company’s financial liabilities classified as: loans, trade and other payables. These financial liabilities are recognized initially at fair value net of the transaction costs directly attributable and are subsequently measured at amortized cost or based on the effective interest rate method.

Gains and losses are charged to the statement of comprehensive income when the liabilities are derecognized, as well as through the amortization process.

The financial liabilities are derecognized when the obligation is met or cancelled or expires.

The financial assets and liabilities are offset only when the Company has an enforceable legal right to offset and the intention to settle on a net basis, or to realize the assets and settle the liability simultaneously.

i) Foreign currency transactions

The functional and presentation currency: the financial statements of the Company are prepared in the currency of the economic environment in which it operates. The functional and presentation currency for the financial statements is the Romanian Leu (“RON”).

Transactions arising in foreign currencies are translated into RON at the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities in foreign currencies are re-measured in RON at the exchange rate prevailing at the balance sheet date. Foreign exchange gains or losses, either realized or unrealized, are charged to the statement of comprehensive income. The RON/USD and RON/EUR as at 31 December 2024 and 2023 are detailed below:

Currency	**31 December 2024**	**31 December 2023**
RON/EUR	4.9741	4.9746
RON/USD	4.7768	4.4958

j) Inventories

Inventories are valued at the lower of cost and net realizable value, using the weighted average cost method.

The net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Where necessary, impairment is recorded for excess, obsolete or defective inventory.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

k) Receivables

Receivables are initially carried at the fair value of the consideration receivable and subsequently measured at amortized cost, after allowance for impairment estimated based on factors relevant for their collectability. Evidence of impairment include indications that a debtor or a group of debtors is experiencing significant financial difficulty, default or delinquency in payments, the probability that they will enter in bankruptcy or other financial reorganization. Actual losses may differ from current estimates.

l) Cash and cash equivalents

Cash includes petty cash and bank accounts. Cash equivalents are highly liquid short-term investments that can be quickly transformed into a known amount, with original maturity of at most three months and have an insignificant risk of change in value.

m) Payables

Liabilities are initially carried at the fair value of the consideration payable and subsequently measured at amortized cost, and include amounts payable, whether or not invoiced, for goods, works and services.

n) Loans

The Company classified the loans in short and long-term loans, according to the maturity provided by the loan agreement.

The loans are initially carried at the amount of the drawings, net of transaction costs. Subsequently, they are reflected at amortized cost using the effective interest rate, the difference between the amount of the drawings and the amount reimbursable being carried in the net profit for the period, over the loan period. The transaction cost includes commissions and fees paid to agents, brokers or dealers.

o) Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income over the period necessary to match the grant on a systematic basis to the costs that it is intended to compensate. When the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as additional government grants.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

p) Employee benefits

Short-term benefits:

Short-term employee benefits include salaries and social security contributions. They are recognized as expenses as services are rendered.

Post-employment benefits – pension plan:

Both the Company and its employees have the obligation to pay monthly contributions (including social security contributions) to the National Pension Fund administered by the Social Insurance of the Romanian State and to private pension funds (starting 2008). Therefore, the Company has no legal obligation to pay future amounts, other than these contributions related to pensions. If the Company no longer employs new personnel who are members of the Social Insurance of the Romanian State, it will have no obligation to pay the benefits obtained by its employees in prior years. The Company contributions to the pension plan are charged to the statement of comprehensive income in the year to which they relate.

Compensation benefits – pension plan:

As provided by the Romanian Law, the Company makes compensation payments in cases of downsizing, whether or not related to reorganization. The expenses with these payments are recognized when the management decides to adopt a plan that will result in future compensation payments and, until the balance sheet date, it either starts to implement the restructuring plan or provided information about the restructuring plan to those affected by it in a sufficiently specific manner to raise a valid expectation that the Company will carry out the restructuring.

q) Profit tax

The tax on the profit or loss for the year comprises the current tax and the deferred tax. Current tax assets and liabilities for the current and prior periods are carried at the amount expected to be recovered from or paid to the taxation authorities.

The current income tax is computed according to the fiscal legislation in force in Romania and is based on the results reported on the statement of comprehensive income of the Company, prepared in accordance with the local accounting standards, following any adjustments for fiscal purposes. The current income tax is applied on the accounting profit adjusted according to the fiscal legislation in a rate 16% (2023: 16%). The fiscal losses may be carried forward for seven years.

The deferred income tax reflects the tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the fiscal amounts used for current income tax purposes. The deferred income tax recoverable or payable is determined using the tax rate expected to be applicable in the year when the temporary differences will be recovered or settled. The assessment of the deferred tax payable or recoverable reflects the tax consequences that would result from the manner in which the Company expects to realize or settle the carrying amount of its assets and liabilities as at the balance sheet date.

The deferred tax assets and liabilities are recognized regardless of the time when is probable to realize the temporary differences. Deferred tax assets and liabilities are not discounted. Deferred tax assets are recognized when it is probable that future taxable profit will be available against which the deferred tax can be utilized. Deferred tax liabilities are recognized for all taxable temporary differences.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

r) Value Added Tax (VAT)

The revenues, expenses, assets and liabilities are recognized net of the amount of VAT, except:

- When the VAT incurred on a purchase of assets or services is not recoverable from the taxation authority, it is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable.
- Receivables and liabilities are stated with the amount including VAT.

The net VAT amount recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

s) Revenue recognition

The revenue is recognized in accordance with IFRS 15 *Revenues from Contracts with Customers*, which establishes a five-step model that will apply to revenue earned from a contract with a customer (with limited exceptions), regardless of the type of revenue transaction or the industry

The sales, which exclude taxes and discounts, are recognized on delivery of the goods or the rendering of the services and when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on their delivery.

Interest income is recognized when the interest becomes due (using the effective interest rate, being the rate that equalizes the estimated future cash flows over the life of the financial instrument with the net carrying amount of the financial asset).

The revenues from dividends are recognized when the Company's right to receive the payment is established.

t) Fair value of financial instruments

The company is valuing the financial instruments at the fair value as the balance sheet date. Presentations related to the fair value of financial instruments are presented in Note 17. Fair value is the price the company would receive for the sale of an asset or for transferring a liability within a transaction between two market participants at the date of measuring. The fair value is determined based on the assumption that the transaction to sell the asset or transfer the liability takes place:

- On the main market of assets and liabilities, or
- In the absence of a main market, on the most advantageous market for that asset or liability

The fair value of an asset or of a liability is determined based on the assumptions the market participants would use, assuming that the market participants were acting to their best economic interests.
All assets and liabilities for which the fair value is determined or presented in the financial statements are included in the fair value hierarchy, presented below, based on the lowest input that is significant for determining the fair value:

- Level 1 — Unadjusted market prices for similar assets or liabilities
- Level 2 — Valuation techniques for which the lowest input value, significant for the fair value, is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest material input value is not observable

For assets and liabilities recognized in the financial statements at fair value based on a recurrent basis, the Company determines whether there were transfers between hierarchy categories by assessing the categorization at the end of each reporting period. In order to present the fair value, the company has determined classes of assets and liabilities based on the nature, characteristics and risks of the assets and liabilities, as well as on the fair value hierarchy, as presented above.

5. SUMMARY OF ACCOUNTING POLICIES (continued)

u) Provisions

The provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and if it is probable (is more likely than not) that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The provisions are reviewed at the end of each financial year as adjusted to reflect the current best estimate. When the effect of the time value of money is material, the amount of the provisions is the discounted amount of the expenses necessary to settle the obligation.

v) Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is not recognized in the consolidated financial statements but disclosed in the notes when an inflow of economic benefits is probable.

w) Subsequent events

The events after the balance sheet date are those events, favorable or unfavorable, that occur between the balance sheet date and the date when the financial statements are authorized for issue.

The events after the balance sheet date that provide additional information on the Company position at the balance sheet date are adjusting events after the balance sheet date.

The events after the balance sheet date that are indicative of the conditions that arose after the balance sheet date are non-adjusting events after the balance sheet date.

x) Affiliates

A party is considered an affiliate when, through ownership, by contract, family relations or otherwise, has the ability to control, directly or indirectly, or to have a significant influence over the other party. Affiliates also include individuals such as the main owners, the management, and members of the Company’s Board of Directors and members of their families.

(All amounts are expressed in RON, unless otherwise stated)

6. SEGMENT REPORTING

Alumil Rom Industry offers a wide range of Aluminum profiles and accessories and tools used for Aluminum profiles processing. The Company has a single operating segment according to IFRS 8.

The sale detailing by value for the main categories of products is as follows:

Product category	**2024**	**2023**
Profiles	78,453,898	82,903,030
Accessories	33,186,211	34,480,365
Composite Aluminum panels	307,851	345,569
Systems for automation applications	952,039	356,691
Painting services, waste, and other	124,935	69,034
Total	**113,024,934**	**118,154,689**

The value structure of the sales on the domestic and foreign market, respectively, is shown below:

Market	**2024**	**2023**
Domestic	110,654,088	116,071,481
Foreign	2,370,846	2,083,208
Total	**113,024,934**	**118,154,689**

(All amounts are expressed in RON, unless otherwise stated)

7. TANGIBLE ASSETS - NET

As at 31 December 2024 and 2023, the tangible assets – net, are as follows:

	31 December 2024	31 December 2023
Land and buildings	29,854,345	14,292,846
Equipment and motor vehicles	1,662,243	2,419,066
Furniture	453,540	447,175
Advances and tangible assets in progress	35,000	147,372
Total tangible assets	**32,005,128**	**17,306,459**

The evolution of the tangible assets during the period 31 December 2023 to 31 December 2024 is shown below:

	Land and Buildings	Tools and motor vehicles	Furniture	Advances and tangible assets in progress	Total
Cost					
01 January 2023	**20,836,841**	**21,151,226**	**2,637,912**	**61,708**	**44,687,687**
Additions 2023	-	52,233	40,031	1,094,955	1,187,219
Disposals 2023	-	(36,555)	(6,116)	-	(42,671)
Transfers 2023	516,198	465,988	27,105	(1,009,291)	-
31 December 2023	**21,353,039**	**21,632,892**	**2,698,932**	**147,372**	**45,832,235**
Additions 2024	-	-	107,270	-	107,270
Disposals 2024	(239,421)	-	-	-	(239,421)
Transfers 2024	-	84,320	28,052	(112,372)	-
Revaluation at fair value	16,678,373	-	-	-	16,678,373
Compensation of depreciation due to revaluation at fair value	(6,081,092)	-	-	-	(6,081,092)
31 December 2024	**31,710,899**	**21,717,212**	**2,834,254**	**35,000**	**56,297,365**
Accumulated depreciation					
01 January 2023	**6,159,260**	**18,368,135**	**2,129,303**	**-**	**26,656,698**
Expense for 2023	900,933	880,962	128,570	-	1,910,465
Accumulated depreciation related to disposals 2023	-	(35,271)	(6,116)	-	(41,387)
31 December 2023	**7,060,193**	**19,213,826**	**2,251,757**	**-**	**28,525,776**
Expense for 2024	969,780	841,143	128,957	-	1,930,880
Accumulated depreciation related to disposals 2024	(92,327)	-	-	-	(92,327)
Compensation of depreciation due to revaluation at fair value	(6,081,092)	-	-	-	(6,081,092)
31 December 2024	**1,856,554**	**20,054,969**	**2,380,714**	**-**	**24,292,237**
Remaining value					
31 December 2023	**14,292,846**	**2,419,066**	**447,175**	**147,372**	**17,306,459**
31 December 2024	**29,854,345**	**1,662,243**	**453,540**	**35,000**	**32,005,128**

As at 31 December 2024 and 31 December 2023, the Company management verified whether indication that assets may be impaired exists and concluded no such indication, from external or internal sources, existed.

(All amounts are expressed in RON, unless otherwise stated)

7. TANGIBLE ASSETS – NET (continued)

In 2024 the Company decided to change the valuation policy for land and buildings using Revaluation Model**,** where the asset is carried at a revalued amount, being its fair value at the date of revaluation less subsequent depreciation and impairment, provided that fair value can be measured reliably.

Group management has assigned certified appraisers to carry out an assessment of the fair values of Land and Buildings for the Company.

As a result of revaluation, the value increased with RON 1,033,851 for land, respectively with RON 15,644,522 for buildings and the revaluation reserves were set up for a net value of RON 14,009,769 (revaluation surplus of RON 16,678,373 less deferred tax of RON 2,668,604).

Borrowing costs capitalized

The Company signed in May 2011 the funding agreement with the Managing Authority within the Ministry of Economy, Trade and Business Environment, as part of the "Sectoral Operational Program Increasing Economic Competitiveness". The project was implemented over 26 months and consisted in the building of the industrial hall and of the office area, and the purchase of state-of-the-art tools and equipment. The main equipment purchased under the project are: thermal break profile production line, wood-effect electrostatic painting, wood-effect horizontal electrostatic painting, treatment plant, lifting system for pallets, travelling cranes, automatic system for storage on shelves, etc.

The project was finalized in 2013, and the value of the investment, VAT excluded, as at 31 December 2013 was RON 20,085,466, out of which, non-reimbursable funding RON 5,963,721. The building was funded in part under a financing contract "Investment facility" signed in 2012 with Millennium Bank. Consequently, in 2024 and 2023, no interest was capitalized. The non-amortized value of the investment as at 31 December 2024 is RON 13,241,489 (31 December 2023: RON 10,738,963). Details on the pledged fixed assets are presented in Note 18.

The net value of the non-current assets set as guarantees as of 31 December 2024 is of RON 11,099,000 (for the credit line for current needs in amount of EUR 4,000,000 (31 December 2023: RON 14,079,895).

The gross value of the fixed assets fully depreciated as of 31 December 2024 is of RON 22,877,918 (31 December 2023: RON 21,348,874).

8. INTANGIBLE ASSETS - NET

As at 31 December 2024 and 2023, the intangible assets include:

	31 December 2024	31 December 2023
Software	69,971	147,788
Advances and intangible assets in progress	-	-
Total intangibles	**69,971**	**147,788**

The software licenses used by the Company are Oracle Standard, Windows XP and Bitdefender.

(All amounts are expressed in RON, unless otherwise stated)

8. INTANGIBLE ASSETS – NET (continued)

The evolution of the intangible assets during the period is as follows:

	Software	Other intangible assets	Advances and intangible assets in progress	Total
Cost				
01 January 2023	**6,269,186**	**-**	**1,252**	**6,270,438**
Additions 2023	13,023	-	-	13,023
Disposals 2023	-	-	-	-
Transfers 2023	1,252	-	(1,252)	-
31 December 2023	**6,283,461**	**-**	**-**	**6,283,461**
Additions 2024	14,202	-	-	14,202
Disposals 2024	-	-	-	-
Transfers 2024	-	-	-	-
31 December 2024	**6,297,663**	**-**	**-**	**6,297,663**
Accumulated amortization				
01 January 2023	**6,003,439**	**-**	**-**	**6,003,439**
Expense for 2023	132,234	-	-	132,234
Disposals 2023	-	-	-	-
31 December 2023	**6,135,673**	**-**	**-**	**6,135,673**
Expense for 2024	92,019	-	-	92,019
Disposals 2024	-	-	-	-
31 December 2024	**6,227,692**	**-**	**-**	**6,227,692**
Remaining value				
31 December 2023	**147,788**	**-**	**-**	**147,788**
31 December 2024	**69,971**	**-**	**-**	**69,971**

During the year, software was acquired: Windows XP.

As at 31 December 2024 and 31 December 2023 no indication of impairment for intangible assets was identified.

9. RIGHT OF USE ASSETS FROM LEASE CONTRACTS – NET

As at 31 December 2024 and 31 December 2023 the right of use assets – net, are as follows:

	31 December 2024	31 December 2023
Buildings	4,783,748	2,822,729
Motor vehicles	1,368,815	159,455
Total right of use assets	**6,152,563**	**2,982,184**

(All amounts are expressed in RON, unless otherwise stated)

9. RIGHT OF USE ASSETS FROM LEASE CONTRACTS – NET (continued)

The evolution of the right of use assets during the period is as follows:

	Land and buildings	Equipment and motor vehicles	Furniture	Total
Cost				
01 January 2023	**6,189,002**	**1,869,896**	**-**	**8,058,898**
Additions 2023	130,085	-	-	130,085
Changes 2023	1,110,617	(75,137)	-	1,035,480
Disposals 2023	(253,306)	(302,364)	-	(555,670)
Exchange differences 2023	32,608	8,584	-	41,192
31 December 2023	**7,209,006**	**1,500,979**	**-**	**8,709,985**
Additions 2024	271,493	1,593,252	-	1,864,745
Changes 2024	4,025,780	-	-	4,025,780
Disposals 2024	(514,939)	(1,405,065)	-	(1,920,004)
Exchange differences 2024	(671)	(5)	-	(676)
31 December 2024	**10,990,669**	**1,689,161**	**-**	**12,679,830**
Accumulated amortization				
01 January 2023	**2,483,092**	**1,225,101**	**-**	**3,708,193**
Expense for 2023	2,059,295	393,743	-	2,453,038
Disposals 2023	(180,307)	(284,667)	-	(464,974)
Exchange differences 2023	24,197	7,347	-	31,544
31 December 2023	**4,386,277**	**1,341,524**	**-**	**5,727,801**
Expense for 2024	2,180,780	383,915	-	2,564,695
Disposals 2024	(359,507)	(1,405,065)	-	(1,764,572)
Exchange differences 2024	(629)	(28)	-	(657)
31 December 2024	**6,206,921**	**320,346**	**-**	**6,527,267**
Remaining value				
31 December 2023	**2,822,729**	**159,455**	**-**	**2,982,184**
31 December 2024	**4,783,748**	**1,368,815**	**-**	**6,152,563**

10. SHARES IN AFFILIATES

	31 December 2024	31 December 2023
Shares in Alumil EGE SA Turcia	1,970,482	1,970,482
Shares in Alumil MISR Egypt	5,166,082	5,166,082
Impairment adjustments	-	-
Total shares in affiliates	**7,136,564**	**7,136,564**

In 2015, the Company has participated in the establishment of ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET ANONİM SİRKETİ ("ALUMIL EGE"), with the head office in Turkey, by a cash contribution of RON equivalent at subscription date of 538,890, the equivalent value of TRY 380,000. As of 31 December 2016, following the share capital increase, the Company has subscribed the amount RON 1,107,152, the equivalent value of TRY 760,000, representing 40% of ALUMIL EGE's shares. In October 2019, the share capital increase was decided for the ALUMİL EGE ALÜMİNYUM SANAYİ VE TİCARET ANONİM SİRKETİ, to the total value of 4,900,000 Turkish Lira, representing 4,900 shares having a nominal value of 1,000 Turkish Lira each, of which ALUMIL ROM INDUSTRY S.A. holds 40%, namely 1,960 shares at the nominal value of 1,000 Turkish Lira each.

10. SHARES IN AFFILIATES (continued)

As at 31 December 2024, the net asset of ALUMİL EGE is RON 19,579,929, the equivalent of TRY 144,608,041 (2023: RON 26,294,742, the equivalent value of TRY 172,597,789). As part of the economic activity performed in 2024, the Company's turnover was of TRY 425,417,835, the equivalent of RON 57,601,574 (2023: TRY 396,843,573, the equivalent of RON 60,457,898), obtaining net profit of TRY 1,033,910, the equivalent of RON 139,991 (2023: TRY 29,892,284, the equivalent of RON 4,553,998).

In 2016, the Company participated in the establishment of ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, having head office in Egypt, Cairo, with cash contribution in RON equivalent at subscription date amounting to RON 178,640, the equivalent of 400,000 Egyptian Lira, representing 40% of ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC's shares.

In November 2016, the first share capital increase was decided for ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, up to the value of 16,000,000 Egyptian Lira, representing 16,000 shares having a nominal value of 1,000 Egyptian Lira each, out of which Alumil Rom Industry holds 40%, namely 6,400 shares at the nominal value of 1,000 Egyptian Lira each.

In December 2016 a second share capital increase was decided for the company ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC and, therefore the Company's capital reached 30,000,000 Egyptian Lira, representing 30,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 12,000 shares having a nominal value of 1,000 Egyptian Lira each, the RON equivalent of RON 2,947,320.

In February 2019, the third share capital increase was decided for the ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, with a total value of 20,600,000 Egyptian Lira, out of which the contribution of the Company is Egyptian Lira 8,240,000. The increase will be done in stages, so as of 31.12.2019 the share capital of the company amounted to Egyptian Lira 33,000,000 representing 33,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 13,200 shares at the nominal value of 1,000 Egyptian Lira each.

In July 2020, the third share capital increase was performed for the ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, with a total value of 3,000,000 Egyptian Lira, out of which the contribution of the Company is Egyptian Lira 1,200,000. The increase is done in stages, so as of 31.12.2020 the share capital of the company amounted to Egyptian Lira 36,000,000 representing 36,000 shares having a nominal value of 1,000 Egyptian Lira each, of which Alumil Rom Industry holds 40%, namely 14,400 shares at the nominal value of 1,000 Egyptian Lira each.

During 2021 there were 3 succesive share capital increases for ALUMIL MISR FOR ALUMINIUM AND ACCESORIES INDUSTRY JSC, in a total amount of EGP 14,600,000, out of which Company's contribution is EGP 5,840,000. Consequently the share capital as at 31.12.2021 reached the value of 50,600,000 Egyptian Lira representing 50,600 shares at the nominal value of Egyptian Lira 1,000 lire egiptene each, out of which Alumil Rom Industry holds 40%, namely 20,240 shares at the nominal value of 1,000 Egyptian Lira each.

During the financial years 2023 and 2024, the Company performed no commercial activities, the only transactions relating its establishment.

(All amounts are expressed in RON, unless otherwise stated)

11. LONG-TERM RECEIVABLES

As at 31 December 2024 and 2023, the long-term receivables are as follows:

	31 December 2024	31 December 2023
Guarantees for rent	189,271	180,241
Other long-term receivables	4,394	4,052
Long-term receivables – total	**193,665**	**184,293**

As at 31 December 2024, the long-term receivables mainly comprise guarantees for the locations rented: RON 189,271 (31 December 2023: 180,241), and other guarantees: RON 4,394 (31 December 2023: RON 4,502).

12. INVENTORIES

	31 December 2024	31 December 2023
Raw materials and materials at cost and spare parts	5,257,353	5,437,497
Finished goods and merchandise at cost	18,354,079	16,899,091
Work in-progress	93,925	-
Impairment adjustments	(1,327,123)	(1,571,378)
Total inventories, net	**22,378,234**	**20,765,210**

The Company policy for inventory valuation provides that no provision is set for the inventories to be returned to the suppliers. For non-returnable items, provisions are set based on the accounting policy detailed in Note 5. The amount of the non-usable inventories is adjusted to the level of the recoverable value from aluminum waste. The amount of the inventories recognized as an expense during 2024 is RON 70,653,298 (2023: RON 75,405,816), being included in the statement of comprehensive income, in the cost of sales (and, as part of these, in the cost of inventory).

The Company set provisions for the impairment of merchandise inventories as follows:

	31 December 2024	31 December 2023
Balance as at 31 December	**1,571,378**	**1,637,518**
Provisions set during the year	-	23,663
Provisions reversed during the year	(244,255)	(89,803)
Balance as at 31 December	**1,327,123**	**1,571,378**

The amount of the provisions set or reversed is included in the statement of comprehensive income in the “cost of sales”.

As of 31 December 2024, the value of inventories pledged as part of the short-term loan contracted by Banca Transilvania S.A. (Note 18) for a period of 1 year amounts to RON 0 (2023: RON 20,765,210).

(All amounts are expressed in RON, unless otherwise stated)

13. RECEIVABLES

As at 31 December 2024 and 2023, the receivables were as follows:

	31 December 2024	31 December 2023
Outstanding receivables from customers	24,172,081	20,810,800
Receivables outstanding, but for which no provision was set	119,049	76,733
Receivables outstanding, and for which provisions were set	3,044,517	4,039,102
Provisions	(3,044,517)	(4,039,102)
Total receivables	**24,291,130**	**20,887,533**

As at 31 December 2024 and 2023, the statement of the age of outstanding receivables for which no provision was set is as follows:

	31 December 2024	31 December 2023
Outstanding one to 60 days	34,211	649
Outstanding 61 to 180 days	26,431	696
Outstanding above 180 days	58,407	75,388
Total outstanding receivables	**119,049**	**76,733**

The Company trading policy allows client crediting for zero to 180 days and provides the setting of allowances based on the receivable age as at balance sheet date and on specific factors related to receivable collectability from certain customers. When determining the recoverability of a receivable, the Company analyzes the client creditworthiness, payment history and current economic conditions. When recent information show the discount of the allowances is needed, the Company will record its change in the period when the conditions triggering the allowance discount are identified. Because the Company cannot foresee the changes in the clients' future financial stability, there is a possibility that additional allowances are needed in the future.

The Company set allowances for the impairment of trade receivables as follows:

	31 December 2024	31 December 2023
Balance as at 31 December	**4,039,102**	**3,774,078**
Provisions set during the year (IAS 39)	230,141	198,996
Provisions used during the year (IAS 39)	(825,199)	-
Provisions set during the year (IFRS 9)	142,659	317,175
Provisions reversed during the year (IAS 39)	(219,961)	(39,969)
Provisions reversed during the year (IFRS 9)	(322,225)	(211,178)
Balance as at 31 December	**3,044,517**	**4,039,102**

The allowances reversed in 2024 include amounts reversed following the collection of receivables in an amount of RON 542,186 (2023: RON 251,147) and amounts reversed following the written-off of receivables in amount of RON 825,199 (2023: RON 0). The amount of the allowances set or reversed, and of the receivables disposed, is included on the statement of comprehensive income on line "Sale and distribution expenses".

As at 31 December 2024, the amount of the receivables mortgaged as part of the short-term loan contracted from Banca Transilvania S.A. (Note 18) for one year is RON 24,191,130 (2023: RON 20,887,533).

Details on the balances of receivables from affiliates are presented in Note 32.

(All amounts are expressed in RON, unless otherwise stated)

14. OTHER RECEIVABLES AND PREPAYMENTS

As at 31 December 2024 and 2023, other receivables and prepayments are as follows:

	31 December 2024	31 December 2023
Taxes and duties paid in excess	599,349	236,727
Sundry debtors and cash advances and other amounts	7,650	14,431
Sundry debtors	214,351	54,208
Provisions for sundry debtors and other receivables	(16,065)	(23,141)
Advances paid to suppliers	26,624	61,656
Prepayments	296,267	284,065
Other receivables	142,397	142,263
Total other receivables and prepayments	**1,270,573**	**770,209**

The details on the balances of the receivables with affiliates are presented in Note 32.

The Company set provisions for the impairment of receivables related to sundry debtors as follows:

	31 December 2024	31 December 2023
Balance as at 31 December	**23,141**	**70,386**
Provisions set during the year	-	295
Provisions reversed during the year	(7,076)	(47,540)
Balance as at 31 December	**16,065**	**23,141**

The amount of the provisions set and reversed is included on the statement of comprehensive income on line “Administrative expenses”.

(All amounts are expressed in RON, unless otherwise stated)

15. CASH AND CASH EQUIVALENTS

As at 31 December 2024 and 2023, the cash availabilities and cash equivalents consisted in the following:

	31 December 2024	31 December 2023
Bank accounts in RON	2,921,196	2,051,424
Bank accounts in foreign currency	18,352	70,581
Short-term deposits	-	-
Petty cash in RON	15,995	28,051
Petty cash in foreign currency	3,439	1,481
Cash equivalents	-	-
Total cash and cash equivalents	**2,958,982**	**2,151,537**

The details regarding the restrictions on cash availability accounts are presented in Note 18.

16. SHARE CAPITAL

The shareholding structure as at 31 December 2024 and 31 December 2023 is as follows:

Shareholder	% of shareholding	No. of shares	Restated amount	Historical amount
Alumil Mylonas S.A.	55.90%	17,470,150	5,778,760	3,493,750
Sotiriou Michail	23.95%	7,485,150	2,475,873	1,496,875
Milonas George	0.02%	5,000	2,068	1,250
Milona Evangelina	0.02%	5,000	2,068	1,250
Korda Despina	0.02%	5,000	2,068	1,250
Other	20.09%	6,279,700	2,076,839	1,255,625
Total share capital	**100.00%**	**31,250,000**	**10,337,676**	**6,250,000**

The shares of the Company have a nominal value RON 0.2/share. Starting April 2007, the Company shares are traded on the Bucharest Stock Exchange.

(All amounts are expressed in RON, unless otherwise stated)

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Interest rate risk

The interest rate risk is the risk that the interest rate will fluctuate in time. The Company has short- and long-term loans bearing floating interest rates, which exposes the Company to cash risks.

The table below shows the sensitivity of the interest rate variation with all the other variables held constant and an impact on the gross profit.

2024	Increase / (Decrease)	Impact on profit before tax RON	Impact on profit before tax EUR
EUR	1%	(101,969)	(20,500)
EUR	(1)%	101,969	20,500
RON	1%	-	-
RON	(1)%	-	-

2023	Increase / (Decrease)	Impact on profit before tax RON	Impact on profit before tax EUR
EUR	1%	(41,793)	(8,401)
EUR	(1)%	41,793	8,401
RON	1%	-	-
RON	(1)%	-	-

b) Foreign exchange risk

The functional currency of the Company is RON, while the loans and most of the trade liabilities are denominated in foreign currency (EUR). As a result, the Company may be affected by changes in exchange rates. The Company uses no derivative instruments to hedge the currency risk.

The table below shows the sensitivity of the exchange rate (EUR vs RON) variation with all the other variables held constant and an impact on the gross profit:

2024	Increase / (Decrease)	Impact on profit before tax RON	Impact on profit before tax EUR
EUR	5%	118,443	23,812
EUR	(5)%	(118,443)	(23,812)

2023	Increase / (Decrease)	Impact on profit before tax RON	Impact on profit before tax EUR
EUR	5%	(89,286)	(17,948)
EUR	(5)%	89,286	17,948

(All amounts are expressed in RON, unless otherwise stated)

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

The tables below detail the balances in foreign currencies and in the functional currency as at 31 December 2024 and an analysis of the sensitivity of the evolution in the exchange rate differences:

Assets	USD	EUR	RON
Monetary non-current assets:			
Customers and other receivables	-	-	-
Shares held at affiliates	-	-	-
Long-term receivables	-	-	193,665
Monetary current assets:			
Customers and other receivables	-	2,619,960	12,529,762
Cash and cash equivalents	437	3,949	2,937,253
Total monetary assets	**437**	**2,623,909**	**15,660,680**

Liabilities	USD	EUR	RON
Monetary long-term liabilities:			
Loans	-	-	-
Suppliers and other payables	-	-	9,219,136
Monetary short-term liabilities:			
Loans	-	2,050,000	-
Suppliers and other payables	-	98,089	7,922,402
Total monetary liabilities	-	**2,148,089**	**17,141,538**

Ratio	USD	EUR	RON
Net position, in the initial currency	437	475,820	(1,480,858)
Exchange rates	4.7768	4.9741	1
Net position, in the functional currency	2,087	2,366,775	(1,480,858)
Possible reasonable variation in exchange rates (+), %	5%	5%	0%
Effect on the comprehensive income, in the functional currency	104	118,339	-
Possible reasonable variation in exchange rates (-), %	-5%	-5%	0%
Effect on the comprehensive income, in the functional currency	(104)	(118,339)	-
Effect on the comprehensive income, in the functional currency, for each currency	USD	104	(104)
	EUR	118,339	(118,339)
	RON	-	-
	Total	**118,443**	**(118,443)**

c) Credit risk

The maximum exposure of the Company to the credit risk is reflected in the amount of the receivables from customers and of other current assets, net of the provisions for impairment recognized at the balance sheet date, as disclosed on the related Notes (13 and 14). In regard to the exposure to the financial institutions through the current accounts and bank deposits (Note 15), the Company closely monitors the financial condition of the banks where it holds bank accounts and, to the date of these financial statements approval, it did not identify any deterioration indicator for the financial condition of these banks.

In recent years, the total number of customers was 1,500-2,000 and they are mainly aluminum and PVC joinery firms. In 2023, the top ten clients accounted for 32.98% of the total sales, and this weight slightly increased in 2024 when the top ten customers accounted for approximately 35.00% of the total sales. Keeping this percentage as low as possible is due to the fact the Company permanently tried to avoid a significant dependence on a customer or group of customers.

(All amounts are expressed in RON, unless otherwise stated)

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

d) Liquidity risk

The liquidity risk results from the possibility of not collecting the receivables related to the Company under regular commercial terms, from potential issues in the recovery of long-term receivables, and from negative operating cash-flows. In order to control this risk, the Company periodically assesses the financial solvency of its clients.

The Company's policy is to maintain sufficient liquidity to cover the liabilities having reached maturity. The information on the Company liabilities as at 31 December 2024 and 2023 based on undiscounted future payments (including future interest) is shown below.

As at 31 December 2024

	Short-term loans	Suppliers and other payables	Balances with affiliates	Long-term loans	Total
Payments in a period below 3 months	10,196,905	6,369,837	-	-	**16,566,743**
Payments in a period of 3 to12 months	-	2,040,470	-	-	**2,040,470**
Payments in a period of 1 to 5 years	-	4,202,781	-	-	**4,202,781**
Total	**10,196,905**	**12,613,088**	**-**	**-**	**22,809,993**

As at 31 December 2023

	Short-term loans	Suppliers and other payables	Balances with affiliates	Long-term loans	Total
Payments in a period below 3 months	4,179,297	7,024,494	-	-	**11,203,791**
Payments in a period of 3 to 12 months	-	1,992,604	-	-	**1,992,604**
Payments in a period of 1 to 5 years	-	1,107,058	-	-	**1,107,058**
Total	**4,179,297**	**10,124,156**	**-**	**-**	**14,303,453**

e) Fair value of financial instruments

The best estimate of the fair value is the market value on an active market. If the market for the financial instruments is not active, the Company determines the fair value by using valuation techniques. The valuation techniques include the use of transactions with knowledgeable affiliates, performed by agreement of the parties at arm's length, if possible, by reference to another similar instrument, the analysis of discounted cash-flows.

As at 31 December 2024 and 2023, the carrying amounts of the financial instruments approximated their fair values as at the same dates.

(All amounts are expressed in RON, unless otherwise stated)

17. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)

f) Equity management

Equity includes ordinary shares, equity attributable to the shareholders.

The main objective of the Company in terms of equity management is to ensure and maintain a favorable credit rating and performing equity ratios.

In terms of the indebtedness ratio, the Company aimed at not exceeding 50%.

	31 December 2024	31 December 2023
Total loans	10,196,905	4,179,297
Less: Cash and cash equivalents	(2,958,982)	(2,151,537)
Net liabilities/(assets)	**7,237,923**	**2,027,760**
Equity	**71,005,135**	**57,926,771**
TOTAL CAPITAL EMPLOYED	**78,243,058**	**59,954,531**
Indebtedness ratio	**9.25%**	**3.39%**

18. LOANS

Short-term loans

As at 31 December 2024, the company Alumil Rom Industry SA had the following credit facilities granted by local commercial banks:

Description	Type of loan	Contract date	Maturity	Interest rate	Currency	Principal	Interest 31 December 2024	Balance 31 December 2024
B. Transilvania	Short-term facilities	14.03.2014	03.04.2026	EURIBOR 3M + 2%	EUR	4,000,000	-	2,050,000*

* Total equivalent of RON 10,196,905

The Company has set in favor of Banca Transilvania Bank the following securities:

- a security interest in personal property over the Company's accounts opened with Banca Transilvania Bank;
- a first rank mortgage on the land and production building located in Filipestii de Padure;
- a mortgage over all of the Company’s present and future (trade) receivables;
- a mortgage over all the receivables related to the insurance contracts concluded in order to insure the goods that are the subject matter of the guarantees related to the loan contract to be concluded with Banca Transilvania Bank;
- a Corporate Guarantee issued by Alumil Industria Aluminiului S.A., Greece;

(All amounts are expressed in RON, unless otherwise stated)

18. LOANS (continued)

As at 31 December 2023, the Alumil Rom Industry SA had the following credit facilities granted by local commercial banks:

Description	Type of loan	Contract date	Maturity	Interest rate	Currency	Principal	Interest 31 December 2023	Balance 31 December 2023
B. Transilvania	Short-term facilities	14.03.2014	05.04.2024	EURIBOR 3M + 2.5%	EUR	2,000,000	-	710,434*
OTP Bank	Short-term facilities	13.03.2014	08.09.2024	ROBOR 3M + 2.5%	RON	1,600,000	-	129,693*

* Equivalent of RON 4,197,297

Long-term loans

The Company did not have long-term bank loans as of 31 December 2024 and 2023.

19. INVESTMENT SUBSIDIES

The evolution of the investment subsidies as at 31 December 2023 and 2022 is shown below:

	2024	2023
As at 1 January	2,993,950	3,322,813
Subsidies recognized during the year	-	-
Depreciation in the profit and loss account during the year	(316,193)	(328,863)
Balance as at 31 December	**2,677,757**	**2,993,950**
Short-term portion	317,779	327,160
Long-term portion	2,359,978	2,666,790

Under the Financing Contract SOP IEC 154271/18.05.2011, the Company undertook the fulfillment of the indicators below:

Result indicators	Determined reference value	Indicator value under the contract	
Description	Value	MU	Quantity
Turnover increase compared to the 2013 balance sheet (%)	71,164,470	%	49%
Number of jobs created	N/A	No.	45
Number of jobs maintained (existing on the contract signing date)	166	No.	166
Increase in exports compared to the 2013 balance sheet (%)*	3,523,005	%	100 %

(All amounts are expressed in RON, unless otherwise stated)

19. INVESTMENT SUBSIDIES (continued)

Under the above-mentioned Financing Contract, the Company is subject to a five year monitoring period starting the implementation finalization, i.e., 2018.

In 2019, the sustainability period ended and after the analysis of data and information presented in the Sustainability Report, as well as based on the conclusions of the monitoring mission, the project was closed without financial corrections.

20. LEASE LIABILITIES

As at 31 December 2024, the lease liabilities were as follows:

	31 December 2024	31 December 2023
Long term	4,202,781	1,107,058
Current	2,040,470	1,992,604
Total lease liabilities	**6,243,251**	**3,099,662**

Lease libilities maturity analysis

	31 December 2024	31 December 2023
Not later than1 year	2,040,470	1,992,604
Later than 1 year and not later than 5 years	4,202,781	1,107,058
Later than 5 years	-	-
Total lease liabilities	**6,243,251**	**3,099,662**

21. INCOME TAX

The current tax of the Company is determined based on the statutory income, adjusted with the non-deductible expenses and taxable revenues at a rate 16% for 2024 and 2023.

For 2024 and 2023, the income tax consists in:

	2024	2023
Current income tax charge	931,622	1,494,953
Deferred income tax expense /(credit)	87,988	(32,358)
Total income tax	**1,019,610**	**1,462,595**

The numerical reconciliation between the income tax expense and the result of the multiplication between the accounting result and the taxation percentage in effect is shown below:

	2024	2023
Result before tax – profit/(loss)	**6,338,205**	**7,976,422**
Income tax 16%	1,014,113	1,276,228
Effect of non-deductible expenses	5,497	186,367
Total income tax expense / (revenue)	**1,019,610**	**1,462,595**
Actual income tax rate	**16.09%**	**18.34%**

(All amounts are expressed in RON, unless otherwise stated)

21. INCOME TAX (continued)

The significant components of the deferred income tax payable included on the financial statements, in a rate 16%, are as follows:

	2024		2023	
	Cumulated temporary differences	**Deferred income tax asset/ (liability)**	**Cumulated temporary differences**	**Deferred income tax asset/ (liability)**
Non-current assets	(68,623)	(10,980)	(214,906)	(34,385)
Fixed assets revaluation	(16,678,777)	(2,668,604)	-	-
Provisions for receivables	2,131,162	340,986	2,827,371	452,379
Total	**(14,616,238)**	**(2,338,598)**	**2,612,465**	**417,994**

The changes in deferred tax have been as follows:

	Deferred income tax - effect on the statement of financial position		Deferred income tax - effect on the statement of comprehensive income	
	2024	**2023**	**2024**	**2023**
Non-current assets	10,980	34,385	(23,405)	(2,676)
Fixed assets revaluation	2,668,604	-	-	-
Provisions for receivables	(340,996)	(452,379)	111,393	(29,682)
Total	**2,338,598**	**(417,994)**	**87,988**	**(32,358)**

22. SUPPLIERS AND OTHER PAYABLES

The suppliers and other payables as at 31 December 2024 and 31 December 2023 are as follows:

	31 December 2024	**31 December 2023**
Suppliers	1,881,402	2,188,471
Advance payments from clients	1,488,952	1,338,425
Salaries	426,143	410,955
Taxes and duties on salaries	618,246	500,660
VAT payable	624,920	1,007,578
Dividends payable	796,093	771,823
Payables to affiliates	-	-
Other employee payables	533,970	342,004
Other	111	111
Total suppliers and other payables	**6,369,837**	**6,560,027**

The details on the balances of the payables to affiliates are presented in Note 32.

(All amounts are expressed in RON, unless otherwise stated)

23. OPERATING INCOME

Operating income for the years ended 31 December 2024 and 2023 are as follows:

	2024	2023
Sale revenues	114,955,734	119,856,772
Commercial discounts granted	(1,930,800)	(1,702,083)
Total sale revenues	**113,024,934**	**118,154,689**
Other operating income	1,306,766	959,057
Total operating income	**114,331,700**	**119,113,746**

Other operating income consists of:

	2024	2023
Subsidies received	316,193	328,863
Gain from sale of fixed assets	272,799	10,644
Provisions written-off	549,262	438,364
Others	168,512	181,186
Total other operating income	**1,306,766**	**959,057**

As detailed in Note 17 c), the Company has no client accounting for more than 10% of the sales or outstanding as at 31 December 2024 and 31 December 2023.

Operating income from subsidies received represent the financing transferred to income for the expenses made in 2024 and the financing reversed to income during the life of the equivalent value of the financing received under the financing contracts, as follows:

	2024	2023
Income from reversing investment subsidies		
Motor vehicles scrapping premium	-	-
Financing under SOP HRD 125/5.1/S/129742	36,656	40,350
Financing under SOP IEC 154271/18.05.2011	279,075	279,075
Financing under SOP HRD /106/5.1/G/76086	462	9,438
Total operating income	**316,193**	**328,863**

(All amounts are expressed in RON, unless otherwise stated)

24. COST OF SALES

The cost of sales for the years ended as of 31 December 2024 and 2023 is as follows:

	2024	2023
Cost of inventories	69,631,866	75,740,236
Wages	2,717,659	2,452,791
Salary contributions	152,561	136,869
Amortization	578,582	564,891
Utilities	1,039,190	1,027,184
Other expenses included in the cost of sales	1,295,731	908,808
Total cost of sales	**75,415,589**	**80,830,779**

In 2024 and 2023, Other expenses included in the cost of sales comprise the management, insurance, security expenses, expenses with taxes and the expenses with the consumables related to the production activity of Filipestii de Padure.

25. SALE AND DISTRIBUTION EXPENSES

For 2024 and 2023, the sale and distribution expenses consisted in:

	2024	2023
Wages	12,012,551	10,372,360
Salary contributions	504,443	447,479
Amortization	3,364,831	3,159,849
Rental fees	286,748	212,510
Advertising costs	1,765,188	1,686,280
Insurances	189,786	184,228
Other taxes and charges	417,426	210,737
Transport costs	1,826,112	1,938,277
Utilities	250,164	270,276
Other sale and distribution expenses	5,095,629	4,055,235
Total sale and distribution expenses	**25,712,878**	**22,537,231**

In 2024, other sale and distribution expenses included the management, security expenses, expenses with consumables, and the provisions for clients set in 2024 amounting to RON 230,141 (2023: RON 198,996) in accordance with IAS 39 and RON 142,659 (2023: RON 317,175) computed in accordance with IFRS 9. Details regarding the provisions for clients and sundry debtors are disclosed in Notes 13 and 14.

(All amounts are expressed in RON, unless otherwise stated)

26. ADMINISTRATIVE EXPENSES

For 2024 and 2023, administrative expenses consisted in:

	2024	2023
Amortization	653,182	770,995
Wages	3,117,988	3,169,440
Salary contributions	125,579	107,019
Other third party suppliers	553,158	1,192,323
Rental fees	333,587	65,153
Insurances	915	1,032
Taxes and charges	93,226	47,647
Utilities	44,324	35,256
Other administrative expenses	1,546,040	1,985,613
Total administrative expenses	**6,467,999**	**7,374,478**

In 2024 and 2023, Other administrative expenses include management, audit and security expenses.

27. DEPRECIATION AND AMORTIZATION EXPENSES

For 2024 and 2023, the depreciation and amortization expenses consisted in:

	2024	2023
Tangible assets depreciation	1,939,880	1,910,465
Intangible assets amortization	92,019	132,234
Right of use assets depreciation	2,564,695	2,453,038
Total salary expenses	**4,596,594**	**4,495,737**

28. INTEREST EXPENSES

For 2024 and 2023, the interest expenses consisted in:

	2024	2023
Interest expense on bank loans	277,160	267,069
Interest expense on lease liabilities	193,666	140,117
Other finance cost	65,340	50,863
Total interest expenses	**536,166**	**458,049**

(All amounts are expressed in RON, unless otherwise stated)

29. SALARY EXPENSES

For 2024 and 2023, the salary expenses consisted in:

	2024	2023
Gross salaries related to the year	18,726,158	16,576,881
Social security expenses	119,229	107,423
Health insurance expenses	-	-
Unemployment fund contribution expenses	-	-
Labor security contribution	401,581	359,868
Other contributions	261,773	224,076
Total salary expenses	**19,508,741**	**17,268,248**

30. EMPLOYEES, ADMINISTRATORS AND DIRECTORS

As of 31 December 2024 and 31 December 2023, the employees' structure is as follows:

	2024	2023
Production	41	37
Sales & marketing	102	95
Administrative personnel	21	22
Total employees	**164**	**154**

Details on the members of the Board of Directors and the executive directors are presented in Note 32.

The Company has no payables to administrators or directors in the analyzed period. There were no advance payments or loans granted to administrators or directors.

31. DECLARED DIVIDENDS

	2024	2023
Dividends declared during the year	5,312,500	6,250,000

In the SGM of 26 April 2024, the distribution of dividends from the profit of 2023 and the retained earnings amounting to RON 6,250,000 were approved.

The Board of Administration's proposal for the appropriation of the profit for 2024 is to be subject to the approval of the SGM of 28 April 2025.

(All amounts are expressed in RON, unless otherwise stated)

32. AFFILIATES

a) The main affiliates and a short description of their activity and of the major transactions with the Company during the years 2024 and 2023 are presented in the table below:

Entity name	Nature of the operations with the Company	Country of origin
Alumil EGE SA	Associate of the Company – Alumil Rom Industry (40.00%)	Turkey
Alumil MISR for Aluminium and Accesories Industry SA	Associate of the Company – Alumil Rom Industry (40.00%)	Egypt
Alumil Aluminium Industry SA	The parent-entity and the main provider of semi-manufactured goods	Greece
Alumil Industry SRL	Subsidiary of the parent-entity, Alumil Mylonas (70.00%)	Moldova
Alumil Bulgaria	Subsidiary of the parent-entity, Alumil Mylonas (99.98%)	Bulgaria
Alumil Albania Shpk	Subsidiary of the Company – Alumil Group LTD Cyprus (99.23%)	Albania
Alumil YU Industry SA Serbia	Subsidiary of the parent-entity, Alumil Mylonas (48.35%)	Serbia
ALPRO Vlasenica AD Bosnia	Associate of the Company – Alumil YU Industry SA Serbia (61.37%)	Bosnia
Alumil LLC	Subsidiary of the parent-entity, Alumil Mylonas (100.00%)	Ukraine
Alumil Group LTD	Subsidiary of the parent-entity, Alumil Mylonas (100.00%)	Cyprus

Receivables from affiliates are the following:

	31 December 2024	31 December 2023
Clients		
Alumil Industry (Chisinau)	273,575	273,633
Alumil Aluminium Industry (Greece)*	12,653,953	2,518,772
Total	**12,927,528**	**2,792,405**

Payables to affiliates are the following:

	31 December 2024	31 December 2023
Alumil Aluminium Industry (Greece)	-	-
Total	**-**	**-**

The advances to suppliers as of December 31, 2024 include the amount of EUR 2,389,716, equivalent of RON 11,886,685 (2023: EUR 358,066, equivalent of RON 1,812,778), advance paid to ALUMIL SA Greece, based on the framework agreement, advance settled by the acquisitions from January 2025.

The Company had the following transactions with affiliates:

	2024			
	Sales	Purchases of materials and merchandise	Purchases of fixed assets	Others
Alumil Aluminium Industry (Greece)	769,185	64,494,056	-	1,559,980
Alumil Industry (Chisinau)	1,574,325	-	-	-
Alpro Vlasenica Bosnia	-	1,264,938	-	-
Alumil Bulgaria SRL	7,395	-	-	-
	2,350,905	**65,758,994**	**359,146**	**1,559,980**

(All amounts are expressed in RON, unless otherwise stated)

32. AFFILIATES (continued)

	2023			
	Sales	Purchases of materials and merchandise	Purchases of fixed assets	Others
Alumil Aluminium Industry (Greece)	710,101	65,023,800	359,146	1,350,816
Alumil Industry (Chisinau)	1,085,962	-	-	-
Alumil LLC Ukraine	195,647	-	-	-
Alpro Vlasenica Bosnia	-	3,035,677	-	-
Alumil Bulgaria SRL	-	365	-	-
Alumil Group LTD Cyprus	-	-	-	-
	1,991,710	**68,060,042**	**359,146**	**1,350,816**

b) The current members of the Company's Board of Administration are the following:

No.	Name	Position	Date of appointment	Date of mandate expiry
1.	Georgios Mylonas	President of the Board of Directors	26.04.2024	27.04.2026
2.	Evangelia Mylona	Board member	28.04.2018	27.04.2026
3.	Spyridon Mavrikakis	Board member	26.04.2024	27.04.2026
4.	Marius Ionita	Board member/C.E.O.	28.04.2018	27.04.2026
5.	Georgios Doukidis	Board member	28.04.2018	27.04.2026

Mrs. Evangelia Mylona is the sister of Mr. Georgios Mylonas, President of the parent entity's Board of Administration Alumil Milonas Industria Aluminiului SA Greece.

Administrators' investments in the parent entity's capital are the following:

No.	Name	Position	No. of shares held	% prior to IPO	% after IPO
1.	Georgios Mylonas	President of the Board	5,000	0.02%	0.02%
2.	Evangelia Mylona	Board member	5,000	0.02%	0.02%
3.	Marius Ionita	Board member/C.E.O.	600	0.00%	0.00%
4.	Spyridon Mavrikakis	Board member	-	-	-
5.	Georgios Doukidis	Board member	-	-	-

c) The performance of the daily operations of Alumil Rom Industry S.A. is entrusted to the following directors:
- Ionita Marius – C.E.O.
- Duca Vitalie – Commercial Director
- Balasca Ciprian – C.F.O.

The executive management's participation in the Company's capital as of 31 December 2024 is the following:

No.	Name	Position	No. of shares held
1.	Ciprian Balasca	C.F.O.	1,000
2.	Marius Ionita	C.E.O.	600
3.	Vitalie Duca	Commercial Director	600

In 2024, the expense with the remuneration of the executive management and of the directors amounted to RON 1,403,357 (2023: RON 1,802,215).

(All amounts are expressed in RON, unless otherwise stated)

32. AFFILIATES (continued)

d) The conditions and terms of transactions with affiliates:

Overdue balances are not secured, non-interest bearing and discounts take place in cash. No guarantees were set and no guarantees were received for the receivables or payables from/to affiliates.

33. PROVISIONS, CONTINGENT EVENTS AND COMMITMENTS

The Company did not set any provisions as of 31 December 2024 and 2023.

The Romanian tax system is in process of consolidation and harmonization with the European legislation and different interpretations may exist by authorities concerning the tax legislation, which may generate additional taxes, charges and penalties. If the state authorities discover breaches of the Romanian legal provisions, these may lead, as applicable, to the confiscation of the amounts in case, imposing additional tax obligations, applying fines, applying late payment penalties (applied to the amounts actually payable). Consequently, the tax sanctions resulted from breaches of the legal provisions can be significant amounts payable to the State.

The Company considers it has registered and presented in the financial statements all its tax obligations. In Romania, the tax position is open to further verification for 5 years.

S.C. ALUMIL ROM INDUSTRY S.A. conducted, starting 18.05.2011 the project “Eco efficient and innovative investment in a modern Aluminum processing facility”, co-financed by the **European Regional Development Fund** under the financing contract signed with the Ministry of Economy, Trade and Business Environment, as the Managing Authority for the Operational Sectorial Program "Increase of Economic Competitiveness. The project objective was to increase the productivity of the company by creating a modern, eco-efficient Aluminum profiles production and processing facility. The project, implemented in Filipestii de Padure, Minieri village no. 149, Prahova County, was completed in July 2013 and resulted in the building of a production hall of 8,835 square meters and the purchase of 11 state-of-the-art pieces of equipment, creating over 45 new jobs.

By the financing contract mentioned above, the Company was in the monitoring period for 5 years from the date of implementation completion, respectively 2018.

In 2019, the sustainability period of the project was finalized and based on the data and information presented in the Sustainability Report, as well as on the conclusions of the monitoring mission, the project was closed without financial adjustments.

The Company does not have any commitments concerning tangible and intangible assets as of 31 December 2024 and 31 December 2023.

The Company is a part of operating lease agreements for cars, on 1 to 4 year periods.

The minimum payments under the operating lease agreements are as follows:

	31 December 2024	31 December 2023
Below one year	481,697	121,520
Between one to two years	475,385	25,251
Between two to three years	456,449	18,938
Between three to four years	152,150	-
Total	**1,565,681**	**165,709**

(All amounts are expressed in RON, unless otherwise stated)

33. PROVISIONS, CONTINGENT EVENTS AND COMMITMENTS (continued)

The Company is a party to rent agreements for commercial areas and warehouses, signed for 1 to 3 year periods. The Company has the option, according to certain agreements, to extend the rent agreement by another year.

The minimum payments according to rent agreements for commercial areas are as follows:

	31 December 2024	31 December 2023
Below one year	1,778,318	1,941,461
One to five years	3,830,005	1,091,659
Total	**5,158,323**	**3,033,120**

Starting with 2019, the Company applies IFRS 16 *Lease agreements* (Note 9). This standards treats all lease commitments (finance or operating) as conferring the right of use on the leased assets, except those with small value or leased for a period of 12 months or less, in exchange for subsequent payments.

34. SUBSEQUENT EVENTS

The Company did not record any subsequent events.

These financial statements together with the explanatory notes were approved by the Board of Administration and signed on its behalf on 25 March 2025.

Marius Ionita
C.E.O.

Ciprian Balasca
C.F.O.

Annex to:
ANNUAL REPORT OF THE DIRECTOR REGARDING THE FINANCIAL EXERCISE 2024
DECLARATION OF THE GOVERNED CORPORATE

The company Alumil Rom Industry SA (hereinafter referred to as "The Company") applies the provisions to The Corporate Governance Code of Bucharest Stock Exchange, regulated market which the shares of this company are traded at standard BoDtegory.

1. Statement regarding the compliance with the Code

Provisions of the Code regarding the GOVERNED CORPORATE	YES	NO	Reason for noncompliance/Details
Section A Responsibilities of the Board of Directors			
A.1 The company has an intern regulation of BoD which includes the reference terms regarding the BoD and the functions of the company.	X		The company has adopted an operating regulation for the BoD. The responsibilities of the BoD, the key functions and the way of operating are provided by the constitutive act and the legal provisions. The operating regulation of BoD was adopted at the EGMS dated 21.04.2016.
A.2 Provisions for conflict management of interest are included in the BoD regulation.	X		The Company has adopted an operating regulation for BoD, which includes legal provisions regarding conflict management of interest. Board of Directors will oversee implementation and enforcement of the application of legal provisions so the policies approved at BoD regarding non-competition and conflict interest.
A.3 Board of Directors or the Supervisory Board must be formatted from at least five members.	X		Board of Directors is formed from five members.
A.4 The majority of members of the Board of Directors must not have an executive function. At least one member of the Board of Directors or Supervisory Board has to be independent in case of the Companies from Standard category. Each independent member of the Board of Directors or Supervisory Board, as the case, must submit a statement at the time of his nomination for election or re-election, as well as when any change of his status occurs, indicating the elements on which it is considered that he is independent by point of view of his character and judgement.	X		The component of Board of Directors is the following: **1. GEORGIOS MYLONAS, President of the Board of Directors** **2. EVANGELIA MYLONA, Member** **3. GEORGIOS DOUKIDIS, Independent member of the Board** **4. MARIUS IONITA, Member, Company General Manager** **5. SPYRIDON MAVRIKAKIS, Member** From the 5 members of the Board of Directors one is also Executive Administrators - the General Manager – and the others are non-executive. Mr. Georgios Doukidis meets the specified criteria of The Governed Corporate Code of Stock Exchange Bucharest in A41-A49 points for the Independent Administrator.
A.5 Other common commercial commitments and professional obligations of one of the members of the Board, including executive and non-executive positions in the Board of some Companies and non-profit institutions, must be	X		The members of BoD have submitted statements concerning the common commercial commitments and professional obligations.

disclosed to potential shareholders and investors before the nomination and during its term.			
A.6 Any member of BoD must provide to BoD any information regarding any report with a shareholder who holds shares directly or indirectly representing more than 5% from the voting rights. This obligation refers to any kind of report which can affect the position of the member regarding decided issues by BoD.	X		Members of BoD have submitted the statements concerning the reports with the shareholders who holds directly or indirectly over 5% from all the voting rights in addition to provisions from the constitutive act and applicable legal provisions the obligation of the BoD members to exercise their mandate with loyalty, which forces them to refrain any attitude that can affect the position of the member regarding decided issues of the Board.
A.7 The Company must designate a secretary of the Board responsible of supporting the activity of the Board.	X		The Board of Directors confirmed as a secretary of BoD Mrs. Evanghelia Mylona.
A.8 The annual report informs if there was any evaluation of the Board lead by the current President.	X		Annually, the Board of Directors present the activity report in the first Ordinary General Meeting of Shareholders. The Company is implementing evaluation policies of the Board of Directors, the activity of the Board of Directors being analyzed mainly by GMS together with the discharge of liability.
A.9 The statement regarding the Governed Corporate must contain information regarding the number of the meeting of the Board and committees during the last year, the participation of the Administrators (in person and in the absence) and a report of the Board and committees regarding their activities.	X		During 2024 the Board met 12 times, all the members being in person.
A.10 The annual report must contain information regarding the exact number of independent members from BoD.	X		From the appointed members of BoD, Mr. Georgios Doukidis fulfills the conditions provided by the applicable regulations in order to be an independent member of the Board.
A.11 The company holds a nomination committee made up of persons without executive functions, which will lead the procedure of nomination of new members in the Board and will make recommendations to the Board.	X		The nomination committee was established on 20.06.2024, by decision of the Board of Directors, and is composed of non-executive directors.
B Section Risk management and internal control system			
B.1 BoD has to set up an audit committee where at least one member must be independent non-executive Administrator. The majority of the members, including the President, must have been proven to have appropriate qualifications relevant to the functions and responsibilities of the Committee. At least one member of the audit committee must have proven and appropriate audit or accounting experience.	X		The Audit Committee was set up on 22 March 2017, being composed of administrators with experience in audit or appropriate accountancy, and on 20.06.2024 by BoD resolution, its composition was changed.
B.2 The President of the Audit committee must be a non-executive independent member.	X		Mr. Georgios Dukidis is an independent Administrator and was appointed as President of the Audit committee within BoD.
B.3 In the framework of its responsibilities, the audit committee must complete an annual assessment of the internal control system.	X		The Audit committee was set up on 22 March 2017, its composition being updated in 2024, and carried out its activity in accordance with the regulation adopted on the same date, including with regard to the assessment of the internal control system.

B.4 The assessment should consider the effectiveness and coverage of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Board's audit committee, the promptness and effectiveness with which executive management addresses the deficiencies or weaknesses identified by internal control and the submission of relevant reports in BoD's attention.	X		The Audit committee BoDrried out its work in accordance with the regulation adopted on the same date also with regard to the assessment of the internal control system and internal control mechanisms.
B.5 The Audit committee must evaluate the interest conflicts regarding the Company's transactions and its subsidiaries with affiliated parties.	X		The Audit committee was set up on 22 March 2017, its composition being updated in 2024, and carried out its work in accordance with the regulation adopted on the same date including regarding the assessment of interest conflicts in connection with the transactions of the Company and its subsidiaries with affiliated parties.
B.6 The Audit committee must evaluate the efficiency of internal control system and the risk management system.	X		The Audit committee was set up on 22 March 2017, its composition being updated in 2024 and carried out its work in accordance with the regulation adopted on the same date including regarding to the analysis of the effectiveness of the internal control system and of the risk management system.
B.7 The Audit committee should monitor the application of generally accepted legal standards and internal Audit standards. The Audit committee should receive and evaluate the reports of the internal Audit team.	X		The Audit committee was set up on 22 March 2017, its composition being updated in 2024, and carried out its work in accordance with the regulation adopted on the same date regarding the assessment of the application and the observance of the generally accepted standards, the function of the Audit committee.
B.8 Whenever the Code mentions reports or analyzes initiated by the Audit committee, they must be followed by regular reports (at least annually) or ad-hoc reports to be submitted to the Board.	X		The Audit committee was set up on 22 March 2017, its composition being updated in 2024, and carried out its work in accordance with the regulation adopted on the same date including regarding the assessment to BoD in accordance to the provisions of the Governed Corporate Code of Bucharest Stock Exchange.
B.9 No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements concluded by the Company with shareholders and their affiliates.	X		
B.10 The Board must adopt a policy ensure that any Company transaction with any of the Companies with which it has close relationships with a value equal to or greater than 5% of the company's net assets (according to the latest financial report) is approved by the Board following a binding opinion of the Board's audit committee and properly disclosed to shareholders and potential investors, to the extent that these transactions fall within the category of events subject to reporting requirements.	X		The Audit committee was set up on 22 March 2017, its composition being updated in 2024, and carried out its work in accordance with the regulation adopted on the same date including regarding the issuance of opinions on the Company's transactions with the companies in the close relationship, transaction worth more than 5% of the net assets of the company. Legal provisions for reporting transactions of over 50.000 Euros concluded with persons in close relationships with the Company

			are considered sufficient, covering the 5% criteria of net assets of the company.
B.11. The internal Audit should be performed by a separate structural division (internal audit department) within the Company or by hiring an independent third party.	X		The company does not have an internal audit structure, all related activities being outsourced based on a service contract to EXPERT AUDIT DASID SRL and coordinated at group level by the internal audit division of the parent company Alumil SA Greece.
B.12 In order to ensure the main functions of the internal audit department, it must report functionally to BoD through the audit committee. For administrative purposes and within the management's obligation to monitor and reduce risks, it must report directly to the General Manager.	X		The service contract concluded with EXPERT AUDIT DASID SRL, provides the obligation to report to the audit committee and BoD.
C Section Just reward and motivation			
C.1 The Company must publish the remuneration policy on its website and include a statement on the implementation of the remuneration policy in the annual report during the annual period under review.	X		The company has adopted a remuneration policy, approved in the OGMS of 16.08.2021, which is published on the company's website. The company complies with the remuneration principles established in the Remuneration Policy approved by the OGMS of 16.08.2021, but also the applicable legal regulations taking into account and insofar as they are appropriate to its size, internal organization and the nature and complexity of its activities. The remuneration policy has been applied to all Directors and Executive Directors (respectively the General Manager) of the Company, regardless of the date of appointment or termination of the term.
D Section Adding value through investors relationships			
D.1 The company must organize an Investor Relation service – made known to the general public through the responsible person or as an organizational unit. In addition to the information required by the law, the Company must include on its website a section dediBoDted to Investor Relations, in Romanian and English, with all relevant information of interest to investors, including:	X		The Company has organized the Shareholding Service which manages the relationships with the investors. On the Company's website www.alumil.com/romania/corporate/investor-relations is a dedicated section which includes different information relevant to the investors, structured by the nature of the information.
D.1.1 The main corporate regulations: the constitutive act, the procedures regarding the general meetings of the shareholders.	X		
D.1.2 The professional CVs of members of the Company's governing bodies, other professional engagements of Board members including executive and non-executive positions in Boards of Directors in companies or non-profit institutions.	X		Currently there are updated CVs for each member of BoD and executive management on the company's website.

D.1.3 Current reports and periodic reports (quarterly, semester and annual) – at least those under D.8 – including current reports with detailed information on non-compliance with this Code;	X		
D.1.4 Information regarding general shareholders meetings: agenda and informative materials; the procedure for the election of the members of the Board, including the decisions adopted;	X		The information on the GMSs is published on the Company's website.
D.1.5 Information regarding the corporate events, such as the payment of dividends and other distributions to shareholders or other events leading to the acquisition or limitation of the rights of a shareholder, including the deadlines and principles applied to such operations. Such information will be published within a time frame that will allow investors to make investment decisions;	X		All information of the payment of dividends is published on the Company's website as well as in current reports.
D.1.6 The names and the contact details of a person who will be able to provide relevant information, upon request;	X		
D.1.7 Company presentations (e.g. investor presentation, quarterly results, etc.) financial statements (quarterly, half-yearly, annual), audit reports and annual reports.	X		The Company publishes all the information relevant to the investors, including reports in the dedicated section of the Bucharest Stock Exchange website on its own website.
D.2 The company will have a policy on the annual distribution of dividends or other benefits to shareholders proposed by the General Manager or Directorate and adopted by the Board in the form of a set of guidelines that the company intends to follow regarding the distribution of net profit. The principles of the annual distribution policy to shareholders will be published on the Company's website.			Due to the fluctuating economic situation of the market in which it operates, the Company could not adopt and publish a policy on the annual distribution of dividends. However, through the decisions adopted in the last 5 years, the company has shown consistency and predictability in the allocation of dividends when the company's profit has allowed this.
D.3 The company will adopt a policy regarding the forecasts, whether they are made public or not. The forecast policy will determine the frequency, timing and content of the forecasts. If published, the forecasts may only be included in the annual, half-yearly or quarterly reports.			Considering the volatility of the market in which it operates, the Company has not adopted a policy regarding forecasts that would determine their frequency, period, and content, or whether they should be made public. Forecasts with a certain level of uncertainty are included each time in the annual reports of the administrators and are published annually as part of the income and expenditure budget.
D.4 The rules of general shareholder's meetings should not limit shareholders' participation in general meeting and the exercise of their rights. Changes to the rules will come into force at the earliest, starting with the next shareholders meeting.	X		
D.5 External auditors will be present at the general meeting of the shareholders when their reports are presented within these meetings.	X		
D.6 The Board will present to the annual general meeting of shareholders a brief appreciation of internal control systems and significant risk management, as well as opinions on some issues subject to decision of general meeting.	X		According to the BoD regulation the annual report contains a brief appreciation of the internal control and significant risk management systems.
D.7 Any specialist, consultant, expert or financial analyst can participate to the shareholders meeting on the basis of a prior invitation from the Board.	X		

Accredited journalists may also participate in the general meeting of shareholders, unless the President of the Board decides otherwise.			
D8 The quarterly and half-yearly financial reports will include both Romanian and English information on key factors that affect changes in sales, operating profit, net profit and other relevant financial ratios from quarter to quarter, as well as from one year to another.	X		Starting with 2916, all financial reports are published both in Romanian and English.
D.9 A company will organize at least two meetings/teleconferences with analysts and investors each year. The information presented on these occasions will be published in the investor relation section of the Company's website at the date of the meetings/teleconferences.	X		Starting with 2016, the financial calendar provides two meetings with analysts and investors especially when publishing the annual financial statements (as material for OGMS) and the semestral financial situations.
D.10 If a Company supports different forms of artistic and cultural expressions, sporting activities and considers that their impact on the innovation and competitiveness of the Company is part of its development mission and strategy, it will publish policy on the activity in this area.			The Company could not adopt and publish a policy of supporting forms of artistic and cultural expressions, sporting, educational and scientific activities. However, actions to support the above areas have been achieved as it is mentioned in the annual BoD report.

2. Information to be reported for individual provisions of the Corporate Governance Code

A. Responsibilities of the Board of Directors (BoD)

The Company is administrated by a Board of Directors, composed of 5 (five) Administrators, named by Ordinary General Meeting of Shareholders. From this member named by the Ordinary General Meeting of Shareholders, the members of the Board will elect a President and a Vice-President.

The Board of Directors is led by the President, or, in his absence, by the Vice-President, having the same rights as the President in office.

The Board is composed of:

1. **GEORGIOS MYLONAS**, Greek citizen, born on 02.03.1959 in Domiro, Greece, **President of the Board, non-executive member.**
2. **EVANGELIA MYLONA**, Greek citizen, born on 26.03.1964, in Seres, Greece, **member of the Board of Directors, non-executive member.**
3. **GEORGIOS DOUKIDIS**, Greek citizen, born on 15.11.1958 in Xilagani, Greece, **member of the Board of Directors, non-executive and independent member**.
4. **MARIUS IONITA**, Romanian citizen, born on 14.03.1977 in Comanesti City, Bacau County, **member of the Board of Directors, General Manager, executive member.**
5. **SPYRIDON MAVRIKAKIS,** Greek citizen, born on 19.04.1962, in Alexandroupoli, Greece**, member of the Board of Directors, non-executive member**.

The mandate of BoD members was renewed in 2022 when the previous 4 years mandates expired. The ongoing mandates cease on 27.04.2026. Directors' mandate is of 4 years. The mandate may be renewed. The mandate of Mr. Michail Sotiriou was revoked by the decision of the OGMS of 26.04.2024, and Mr. Georgios Mylonas was appointed President of the Board of Directors. Also, a new member of the Board of Directors was appointed in the person of Mr. Spyridon Mavrikakis.

From the 5 members of the Board of Directors one is Executive Administrators, the General Manager of the Company and the others are non-executive and Mr. Georgios Doukidis is Independent Administrator.

Mr. Georgios Mylonas and Mrs. Evanghelia Mylona also perform similar functions within the Board of Directors or at the level of executive management of the parent company Alumil Industria Aluminiului SA Greece.

Complete statements with the rest of the professional commitments and obligations were submitted by each member of the Board.

Mrs. Evanghelia Mylona also holds the position of BoD Secretary.

During 2024 the Board met 12 times, all the members being in person.

The Director's obligations and responsibilities are governed by the provisions on mandate and those specially provided for in relation to Companies. In addition to this, the Company adopts the BoD's Operating Regulation detailing the main attributions, organization, committees and policies to be implemented and supervised by BoD.

The BoD's regulation provides the applicable rules by the BoD regarding the management of interest conflicts in the F Chapter of the BoD regulation.

The members of the Board of Director, including the President, may delegate the powers of representation and/or decision to Directors of the Company appointed from Administrators or outside of the Board.

B. Risk management system and internal control

Risk management and internal control has been carried out so far directly by BoD and executive management with the support of the specialized department within the parent company Alumil SA Grecia.

The Audit committee was set up on 22 March 2017 and carried out its work in accordance with the regulation adopted on the same date.

The internal audit activity is performed by EXPERT AUDIT DASIS SRL based on a service contract, being thus outsourced and coordinated at group level.

The Company has performed all aspects of the management of interest conflicts, transaction advertising, auditing, equal treatment of shareholders in the Company's current activity, approval of shareholders' transaction by the BoD under BoD supervision and strict compliance with the legal provisions applicable to companies whose shares are traded on a regulated market.

Also, regarding the internal audit, the Company implemented the policies and conditions provided by the law.

C. Just motivation and rewards

The company adopted the remuneration policy on 16.08.2021.

The company complies with the remuneration principles established in the Remuneration Policy approved by the OGMS of 16.08.2021, but also the applicable legal regulations taking into account and insofar as they are appropriate to its size, internal organization and the nature and complexity of its activities.

The remuneration policy has been applied to all Directors and Executive Directors (respectively the General Manager) of the Company, regardless of the date of appointment or termination of the term. The remuneration committee within the BoD draws up an annual remuneration report which is subject to the shareholders' approval once the financial statements are submitted and in the following financial year any type of remuneration granted is based on the observations or points of view expressed by the shareholders once the remuneration report is approved.

D. Adding value to relations with investors

The Company owns a website with a section dedicated to investor relations whose content is to be updated in accordance with the provisions of the BoD regulation and the Corporate Governance Code.

The Company publishes on its website all information on General Meetings, participation conditions, documents, current reports, corporate events including payment of dividends.

The Company has not yet adopted a dividend payment policy, but has demonstrated its consistency and predictability in terms of payment.

The dedicated section contains information about the Company leadership, the members of the Board of Directors, contact details of the investor relationship manager.

The Company invites at demand, specialists, consultants or experts, the accredited journalists at GMS meetings, as the President of the Board considers it appropriate and organizes two meetings with analysts and investors each year.

President of the Board of Directors,

Georgios MYLONAS