

Current Report

No. 11/07.02.2024

To: Financial Supervisory Authority
Bucharest Stock Exchange

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

Date of report: **07 February 2024**

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

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

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

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

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

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

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

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

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

PRESS RELEASE

ALRO invested in a new aluminium alloy electric furnace for plates aging from SECO/WARWICK, increasing efficiency and reducing environmental footprint

Slatina, 07 February 2024 – ALRO S.A. (BVB: ALR, "The Company" or "ALRO"), one of the largest vertically integrated aluminium producers in Europe measured by production capacity, purchased an aluminium aging furnace with electric heating from SECO/WARWICK. The project objective is to increase the output of high and very high added products. This state-of-the-art electric furnace will replace three furnaces powered by natural gas with the aim of streamlining the heat treatment operations within the Alro Processed Aluminium Division and represents an important step towards achieving ALRO's goal of becoming a greener producer. The total value of the investment, including equipment, installation works and commissioning, is of USD 2.75 million.

"While we are still making significant efforts to overcome the challenges of the international economic environment, we remain focused on our long-term goals and continue to invest in state-of-the-art technology", said Gheorghe DOBRA, ALRO CEO. "The new equipment, provided by SECO/WARWICK, will support our programme to maximise the value of the products we are manufacturing and will allow us to serve even better our customer requirements. At the same time, the new technology will support our commitment to reduce our environmental footprint", added Gheorghe DOBRA.

A heat treatment furnace designed to further reduce CO₂ emissions

The installation of the aging furnace for the specific heat treatments of aluminium products, powered by electricity without CO₂ emissions, and the decommissioning of three gas-fired furnaces is a significant step in increasing the energy efficiency of the technological processes and strengthening the Company's efforts to produce low carbon aluminium, suitable for future market requirements.

At the same time, the implementation of the new investment will allow ALRO SA to optimize the process of heat treatment (artificial aging) which the aluminium products undergo, through increased efficiency and more precise control of temperature and other critical parameters, which will lead to a more efficient output of high added value aluminium of superior quality.

The solution has been designed for aging 2xxx, 6xxx and 7xxx series aluminium plates of up to 13,000 mm in length and up to 2,200 mm in width. The plates can be arranged in one or two rows, the load will be placed horizontally on loading trays, and this optimised loading arrangement will enable a **maximum capacity of 60 tonnes net**.

"The challenge of reducing emissions is becoming an increasingly important purchasing impulse for customers. This applies in particular to European producers, because in this region of the world environment protection regulations are currently the most restrictive. The aluminium aging furnace, powered by electric heaters, eliminates the emissions problem, hence the growing interest of aluminium producers in such solutions" - explains Piotr Skarbiński, Vice President, Aluminium Process and CAB Business Segment at SECO/WARWICK.

Aging furnaces are designed to operate in the working temperature range from 80°C to 250°C in accordance with the AMS 2750G standard. **The temperature uniformity guaranteed throughout the entire load at the level of +/- 3C was achieved thanks to the use of optimal heat flow inside the furnace using high-performance atmosphere mixers and a system of guides directing the air stream.**

*"ALRO is an important partner for us, not only because of its huge production scale. We have already completed several orders for new equipment for this customer, including a gas aging furnace and ingots preheating furnace. We have also modernized furnaces for annealing aluminium sheet coils. **However, it is gratifying that we signed the current contract after a ten-year gap, which shows that our solutions perform well in continuous, advanced production, and customers keep coming back even after many years.** Good cooperation and partnership have always been a priority for us"* added **Tomasz Kaczmarczyk**, Sales Manager, Aluminium Process and CAB Furnaces Team at SECO/WARWICK.

Marian-Daniel NĂSTASE

Chairman of the Board of Directors



Gheorghe DOBRA

Chief Executive Officer



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Notes to the Editor:

ALRO Group

The companies' part of ALRO Group are: ALRO S.A. – manufacturer of aluminium, ALUM S.A. – producer of alumina, Vimetco Extrusion S.R.L. – extrusion business line, Conef S.A. – holding and management company, Vimetco Trading – aluminium sales and until 1 September 2023 Sierra Mineral Holdings I, Ltd. – bauxite mining, Global Aluminium Ltd. – holding company and Bauxite Marketing Ltd – marketing.

ALRO

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

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

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

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