



SOVEL

ΕΛΛΗΝΙΚΗ ΕΤΑΙΡΕΙΑ ΕΠΕΞΕΡΓΑΣΙΑΣ ΧΑΛΥΒΟΣ Α.Ε.

Annual Financial Report
of the year from 1 January 2025 to 31 December 2025
According to the International Financial Reporting
Standards (“IFRS”)

SOVEL HELLENIC
STEEL PROCESSING COMPANY S.A.
Societe Anonyme Reg. No. / 002294101000 2-4 Mesogheion Ave., Athens

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Annual Report by the Board of Directors

The attached Annual Report of the Board of Directors (hereinafter referred to for the purpose of brevity as "Report") relates to the financial year 2025 (01/01/2025-31/12/2025). The Report has been drawn up and is in line with the relevant provisions of Law 4548/2018.

This Report contains all the relevant information required by the law to obtain a meaningful understanding on the business of SOVEL HELLENIC PROCESSING COMPANY S.A. (hereinafter referred to for the purpose of brevity as "Company") during the financial year concerned. The Company is a related party of Viohalco Group.

The thematic sections of this Report and their content are presented below:

I. Significant Events for financial year 2025

Decisions of the Ordinary General Meeting

The following decisions were made by the Ordinary General Meeting of the Company's shareholders that took place in Athens on 29 July 2025:

1. Approval of the annual financial statements of financial year 2024 and the reports prepared by the Board of Directors and Certified Public Accountants thereupon;
2. Approval of the overall management that took place during 2024 and discharge of the Certified Public Accountants from any liability for compensation for the year 2024;
3. Election of an audit firm to audit the Company's financial statements for the year 2025 and approval of their fees;
4. Approval of the fees paid to the Board of Directors in accordance with Article 109(1) of Law 4548/2018.
5. Election of members on the new Board of Directors.

II. Transactions with Related Parties

Related-party transactions mainly concern purchases, sales and processing of steel products (finished and semi-finished). Through such transactions, the companies take advantage of the Group's size and attain economies of scale. The Company's trading transactions with its related parties during 2025 were carried out on market terms and in the course of its ordinary business activity. Transactions between related parties within the meaning of IAS 24 are analysed as follows:

	Sales of goods and services	Purchases of goods and services	Receivables from related parties	Liabilities to related parties	Purchase of fixed assets
Parent company	301,800,581	20,930,349	183,166,602	5,689,807	32,170
SIDENOR S.A.	301,800,581	20,930,349	183,166,602	5,689,807	32,170
Subsidiaries	7,945,163	303	14,851,270	-	-
EANEP ALMYROS SINGLE-MEMBER S.A.	600	303	155	-	-
DOJLAN STEEL LLCOP	7,944,563	-	14,851,114	-	-
Associates	-	140,996	-	89,717	60,769
SIDMA S.A.	-	140,996	-	89,717	60,769
Other related parties	55,003,540	20,431,573	64,998,512	6,876,902	1,035,431
VIOHALCO SA	-	1,761	-	-	-
VIENER S.A.	40	3,001,611	279,203	412,047	-

	Sales of goods and services	Purchases of goods and services	Receivables from related parties	Liabilities to related parties	Purchase of fixed assets
FULGOR SINGLE-MEMBER S.A.	18,000	-	4,662	-	-
HELLENIC CABLES SINGLE-MEMBER S.A.	-	97,727	-	95,624	19,155
CORINTH PIPEWORKS SINGLE-MEMBER S.A.	-	3,508	-	4,236	-
LESCO OOD	-	101,177	-	9,143	-
ANAMET S.A.	1,366	6,694,677	9,151	2,013,655	-
ELKEME S.A.	-	64,975	-	80,569	-
SIDEROM STEEL SRL	3,146,355	273,318	303,712	501,197	-
STOMANA INDUSTRY S.A.	48,256,372	75,321	63,651,463	12,807	-
SIDELBALK STEEL DOO	813,368	-	-	-	-
VITROUVIT S.A. CERAMICS - INDUSTRIAL MINERALS	-	121,569	-	38,240	-
SIDERAL SHPK	-	56,406	-	132,846	-
AEIFOROS S.A.	411,674	2,185,686	-	2,499,244	-
ERLIKON S.A.*	-	5,427	-	-	-
ELVALHALCOR	10,800	174,559	169,936	15,048	2,516
STEELMET S.A.	-	2,958,625	-	353,973	10,915
VIEXAL S.A.	-	914,320	4,517	122,703	-
VIOHALCO ENGINEERING	-	12,000	-	30,008	176,500
ANTIMET S.A.	-	18,795	-	10,230	-
STEELMET PROPERTY SERVICES S.A.	-	59,089	-	-	-
NOVAL PROPERTY REIC	-	396	4	-	-
TEKA SYSTEMS SINGLE-MEMBER S.A.	-	718,658	179,396	306,670	-
STOMANA ENGINEERING S.A.	-	7,185	-	-	-
ETIL S.A.	5,224	2,565,786	-	138,079	826,346
STEELMET FINANCIAL SERVICES S.A.	-	318,998	5,462	100,582	-
DOMOPLEX LTD	2,340,341	-	391,006	-	-
Total	364,749,285	41,503,222	263,016,384	12,656,425	1,128,370

SIDENOR S.A. is the Company's parent company holding directly 64.78% while VIOHALCO S.A. is the ultimate parent company.

* Transactions with ERLIKON S.A. refer exclusively to the period up to 30.06.2025, i.e. the date of the Transformation Balance Sheet used for the merger with SIDENOR SINGLE-MEMBER S.A.

Remuneration of Management and Board Members

The table below sets out the fees paid to Management and Board Members.

<i>Amounts in Euro</i>	2025	2024
Remuneration of Management and Board Members included in the employee benefits	530,073	473,786

III. Offices/ Branches/ Manufacturing Plants

The Company runs the following branches, offices and a manufacturing plant:

- Tsigeli Position, 37100 Almyros, Magnessia: Plant
- Tsigeli Position, Platanos, 37100 Almyros, Magnessia: Plant
- 33 Amarousiou Chalandriou St., 15125 Marousi, Attica: Offices
- Tsigeli Position, 37100 Almyros, Magnessia: Warehouse
- 245th km Athens-Agrinion National Road, 30200 Mesologhi: Warehouse

The core business of the plant at Tsigeli Magnesia is the production and trading of steel products.

IV. Growth and Performance of the Company

The Company's turnover amounted to €482,535 thousand for 2025 compared to €475,485 thousand in 2024, presenting an increase of €7,050 thousand, mainly as a result of the increased demand for steel products. Pre-tax results amounted to profits of €18,352 thousand for 2025 compared to €53 thousand for 2024.

The administrative, selling and distribution expenses of the Company during the year amounted to (€21,313) thousand compared to (€21,418) thousand in 2024 while the financial results amounted to (€17,829) thousand compared to (€18,463) thousand in 2024.

Financial Ratios and Alternative Performance Measures

The Company's Management has adopted, monitors and reports internally and externally certain ratios and Alternative Performance Measures (APM). These APMs allow meaningful comparisons of the Company's performance and constitute the base for decision making by Management.

Liquidity ratio: This is an indicator of how current liabilities are met by current receivables and is calculated by the ratio of current assets to current liabilities. The amounts are drawn from the Statement of Financial Position. For 2025 and 2024 it was as follows:

	31.12.2025	31.12.2024
Current assets / Current liabilities	1.67	1.55

Gearing ratio: This is an indicator of leverage and is represented by the ratio of equity to debt. The amounts are drawn from the Statement of Financial Position. For 2025 and 2024 it was as follows:

	31.12.2025	31.12.2024
Equity/Debt*	0.47	0.45

*Total Debt: These are all short-term and long-term corporate bonds and bank loans, factoring with recourse, as well as current and non-current lease liabilities.

Return on Capital Employed: It is a ratio that measures the return on equity and borrowed invested capital and is measured by the operating result to equity and borrowed funds. Amounts are used as presented in the Statement of Profit and Loss and the Statement of Financial Position. For 2025 and 2024 it was as follows:

	31.12.2025	31.12.2024
Operating results (Equity + Borrowed Funds*)	8.50%	4.69%

Profitability:

	31.12.2025	31.12.2024
Gross Profit Margin (Gross profit / Sales)	13.83%	8.66%
Net Profit Margin (Net profit / Sales)	2.59%	(0.04%)
EBITDA**	45,936,894	27,390,281
EBITDA margin** (EBITDA / Sales)	9.52%	5.76%

**EBITDA: It measures Company's profitability before interest, taxes, depreciation and amortisation. It is calculated by adjusting depreciation and amortisation in operating profit as reported in the Statement of Profit and Loss.

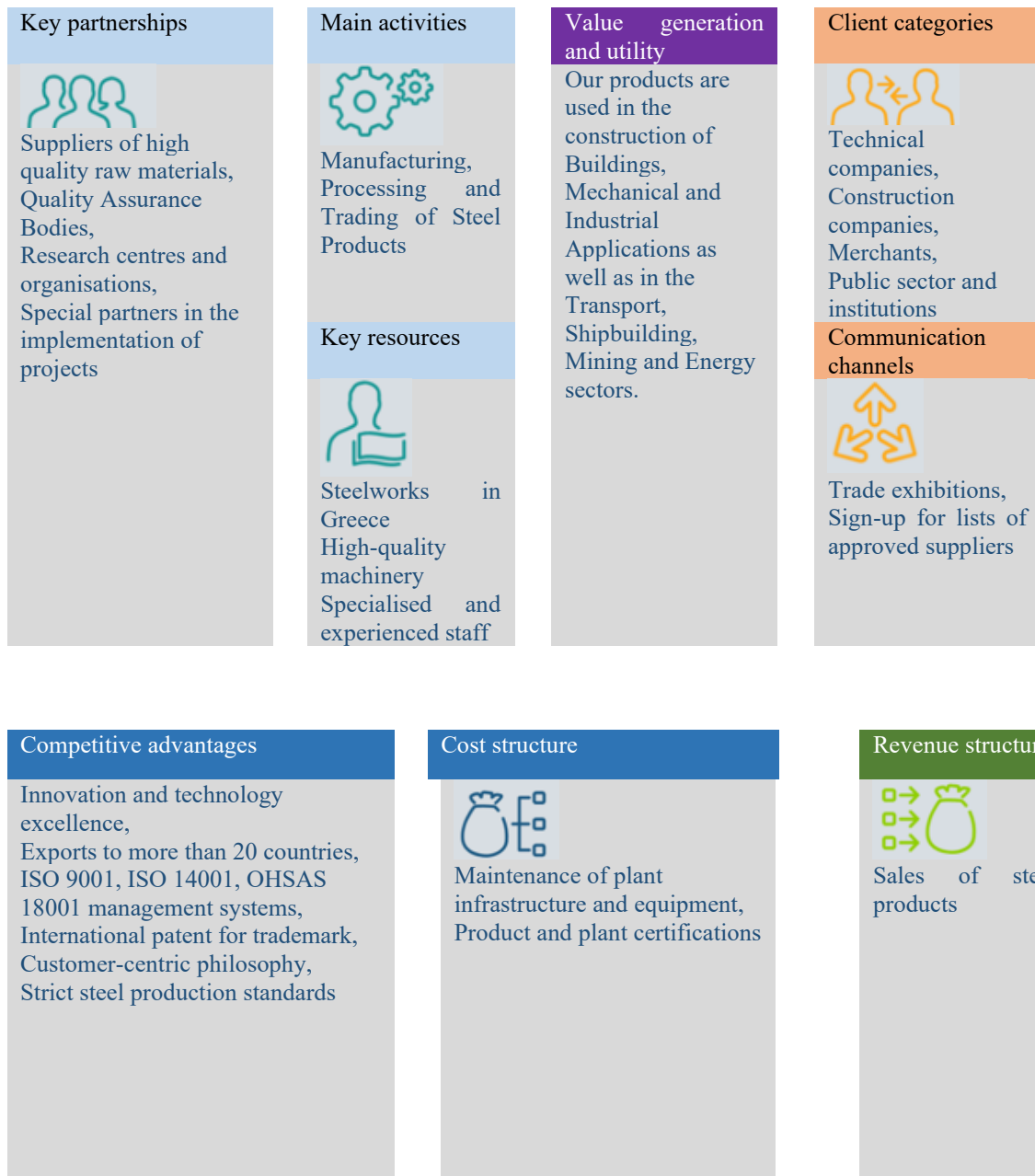
Amounts in Euro	2025	2024
Operating profit / (loss)	36,180,255	18,515,932
Adjustments for:		
+ Depreciation of property, plant & equipment	8,314,737	8,353,810
+ Depreciation of right-of-use tangible assets	1,414,192	721,280
+ Depreciation of intangible assets	30,924	45,154
- Amortisation of grants	(3,215)	(245,895)
EBITDA**	45,936,894	27,390,281

V. Non-Financial Information

Business model

The Company operates in the segment of steel product production, manufacturing and trade, currently being one of the largest Greek steel manufacturing companies, enjoying a leading position not only in Greece but also in South-eastern Europe.

The business model of SOVEL aims to create value for all stakeholders, such as shareholders, customers, employees, suppliers and society at large.



Sustainability issues management - Policies and Systems

The Company has put in place mechanisms and procedures to highlight and manage sustainable development matters focusing on occupational safety, respect for the environment and society while also focusing on its financial and sustainable operation. The commitment of Management and the Responsible Management Issues Framework are reflected in the Policy of Sustainable Development established and implemented by SOVEL.

SUSTAINABLE DEVELOPMENT POLICY (extract)

SOVEL's Sustainable Development Policy is consistent with the Company's principles of responsibility, integrity, transparency, effectiveness and innovation, and is determined by Management which is committed to the following:

- implementation of the Policy at all levels and in all the Company's operating segments;
- strict compliance with applicable legislation and full implementation of the Company's standards, policies, internal instructions and relevant procedures, as well as other requirements arising from voluntary agreements, which are endorsed and accepted by SOVEL;
- open, two-way communication with stakeholders in order to recognise and record their needs and expectations;
- providing a healthy and safe working environment for human resources, partners and every visitor;
- protection of human rights and provision of equal opportunities in the working environment, without any discrimination;
- open communication, based on transparency, with all the Company's stakeholders;
- making continuous efforts to reduce its environmental footprint by applying responsible actions and preventative measures in accordance with the Best Available Techniques;
- cooperation with and support to local communities so that the Company can contribute to the sustainable development of the local communities in which it operates;
- ongoing pursuit of creating added value for stakeholders.

Wishing to reinforce its sound operation driven by Sustainable Development, SOVEL has established specific policies and puts into practice adequate management systems and procedures that uphold responsible operation and define the way in which the Company's goals are achieved. More specifically, SOVEL has established and implements, among others, the following policies and codes:

- Internal Operating Regulation
- Sustainable Development Policy
- Occupational Health and Safety Policy
- Environmental Policy
- Human Resources and Human Rights Policy
- Quality Policy
- Code of Conduct and Business Ethics

Integrated management of the Company's material issues is ensured through the Management Systems implemented by the same. Specifically, SOVEL implements the following certified systems:

- Quality Management System according to ISO 9001:2015 standard
- Environmental Management System according to ISO 14001:2015 standard
- Energy Management System according to ISO 50001:2018 standard
- SustSteel Sustainable Development Management System, according to Eurofer
- Occupational Health and Safety System according to ISO 45001:2018 standard
- Greenhouse Gases Management System according to ISO 14064-3:2019 standard.

The sections below present the results of the policies and procedures implemented by SOVEL, laying down relevant references to its environmental and social performance (presentation of corresponding non-financial indicators).

Labour matters

The Company makes investments in its human resources as it has realised how the human capital can contribute to its successful performance and to the achievement of its business goals. The key concern of SOVEL's Management is to secure optimum working conditions and fair reward, showing respect for human rights and diversity, and providing equal opportunities to all employees. The policies and initiatives of SOVEL with respect to human resources aim at the effective recruitment, development and retaining of employees. Constantly oriented towards human values, the Company seeks to apply responsible work practices, focusing on important issues such as:

- safeguarding of the health and safety of its employees and associates;
- safeguarding of jobs;
- providing equal opportunities for all employees;
- implementation of objective assessment systems;
- provision of continuous education and training to employees;
- providing additional benefits.

Labour indicators

	2025	2024
Number of employees	616	597
Employee turnover	7.1%	3.2%
% of women on total number of employees	4.2%	4.3%

Turnover rate: percentage of employees leaving the Company (due to resignation, dismissal, retirement, etc.) over total number of the Company's employees.

Our pay and fringe benefits policy and systems have been developed with a view to recruiting, employing and retaining experienced personnel with the necessary capabilities and skills which lead to optimisation of individual and, by extension, overall performance. The remuneration of each employee reflects the educational background, experience, responsibility as well as the value/importance of the post in the labour market. In addition, as part of its employee reward and satisfaction system, the Company provides a number of additional benefits.

Equal opportunities and respect for human rights

Showing respect for human rights and responsibility toward its people, the Company implements a human resources management policy driven by equal opportunities without any discrimination based on gender, nationality, religion, age and educational background. SOVEL opposes child labour and condemns all forms of forced and compulsory labour. In addition, SOVEL condemns and does not tolerate any behaviours that could lead to discrimination, unequal treatment, bullying or moral harassment, gestures and verbal or physical threats.

As a result of the control policies, procedures and mechanisms put in place, during 2025 like also in previous years, no incident of child or forced labour was identified and no incident related to violation of human rights has taken place.

Occupational Health and Safety

The key concern of SOVEL is to protect the health of its human resources as the Company has put in practice protection mechanisms, in accordance with the guidance of health authorities, closely monitoring developments and evaluating its effects.

Moreover, driven by deep respect for the protection of human life, SOVEL has set as a priority to design measures for the anticipation and prevention of accidents. Management's commitment in this field is reflected in the Health and Safety Policy (H&S) established and implemented by the Company. The

Company complies with the relevant laws and regulations with respect to working conditions and occupational H&S, and focuses on the implementation of preventive measures and actions to avoid any incidents at work. SOVEL implements a certified Occupational Health and Safety Management System (OHSAS 18001) in the context of which targeted H&S plans are implemented, aiming at the Company's ongoing improvement in this sector. The Company attaches great importance to the training and participation of its employees in related matters. The Company implements internationally applicable and measurable indicators to monitor and evaluate performance in the field of occupational H&S.

Health and safety indicators

	2025	2024
Lost Time Incident Rate (LTIR)	4.89	0.75
Severity Rate (SR)	0.092	0.008
Fatal accidents	-	-

LTIR: Lost time incident rate (number of security incidents / events with a full-time absence of work

per 10⁶ working hours)

SR: Severity rate (number of lost work days per 106 working hours)

Social matters

The Company strives for its business activities to be in a positive and productive interaction with the communities in which it operates, to contribute to the overall economic growth of the country and to benefit local communities by creating jobs (priority is given to the recruitment of employees from local communities) and providing business opportunities (through cooperation with local suppliers wherever possible). SOVEL supports annually bodies, organisations and associations through various sponsorships.

Through its operations, SOVEL generates multiple benefits for the society. In addition to the payment of salaries and other benefits to its employees, the Company pays the State the corresponding taxes and levies, and makes continuous investments and payments to the collaborating suppliers of materials and services. Thus, the overall positive impact of the Company on local communities as well as on the whole society is important.

Anti-corruption and bribery-related issues

SOVEL implements an integrated framework of corporate governance, which aims to ensure transparent, good and effective management of the Company which leads to business and economic development in the long run. SOVEL's by-laws and the Code of Conduct and Business Ethics reflect the Company's commitment and views on transparency, anti-corruption and anti-bribery issues. Business Ethics and Anti-Corruption Policy is another policy of the Company which was issued recently.

The Company is fully opposed to all kinds of bribery and corruption and is committed to conducting business in an ethical and responsible manner. Although the risk of facing corruption incidents is low, the Company takes all necessary steps to control and identify any likely incidents. As a result of the policies and relevant practices implemented by the Company, in 2025, like in previous years, no incident of corruption/bribery has ever been recorded/noted.

Environmental issues

Environmental protection is at the top of the Company's list of priorities. Aiming at an integrated environmental approach, the Company has established adequate infrastructures and manages environmental matters on a systematic basis. SOVEL's commitment in this field is reflected on the environmental policy established and implemented by the same, while translated in practice in a certified Environmental Management System (ISO 14001) and the coordinated programmes and actions (e.g. energy saving actions, waste proper management, reduction of air pollutants etc.) implemented and aiming to improve the Company's performance in this field on an ongoing basis.

Responsible management of the supply chain

SOVEL selects and manages its suppliers responsibly. Suppliers are an important group of stakeholders since they provide raw and other materials, equipment and adequate services which are necessary components for product development. The Company, as a recipient of both products and services, responds responsibly to its obligations and takes steps to have a positive impact on the supply chain.

The Company's procurement policy applies a strategy aiming to boost local economy, offering business opportunities and employment to local suppliers. When evaluating and selecting suppliers, local origins are a criterion factored in.

Non-financial risks and dealing with such risks

The Company operates in an economic and social environment characterised by various risks, financial and others. In this context, the Company has established procedures to control and manage both financial and non-financial risks. The main categories of non-financial risks facing the Company are environmental risks and risks related to occupational H&S. Managing these risks is considered a very important task by the Company's Management given that they pose a threat of having a direct or indirect impact on the Company's regular operation. The Company's by-laws clearly describe the areas of risk and include specific procedures that have been developed on the basis of the Prevention Principle in H&S and environmental management.

In addition, in the context of the certified Management Systems implemented by the Company, the relevant risks are assessed on an annual basis. Aiming to reduce the likelihood and the importance of risks occurring in certain segments, the Company takes preventive steps, designs and implements specific plans and actions, and monitors their performance through the relevant indicators (quality, environment, occupational health and safety) that Management has set.

NOTE:

The non-financial ratios presented in this report are compliant with the Sustainability Reporting Guidelines of Global Reporting Initiative (GRI-Standards). These indicators were selected based on their relevance with the Company's activities.

VI. Main Risks

The Company is exposed to credit, liquidity and market risks due to the use of its financial instruments. This note presents information about Company exposure to each of the above risks, about the objectives of the Company, its policies and procedures implemented to measure and manage risk and how the Company manages its capital. Additional quantitative information on such disclosures is included throughout the consolidated financial statements.

Company risk management policies are implemented to recognise and analyse risks faced by the Company and to set risk assumption limits and implement checks and controls relating to them. Risk management policies and the relevant systems are periodically examined to incorporate changes noted in market conditions and Company operations.

Supervision of compliance with risk management policies and procedures has been assigned to the Internal Audit Department, which conducts ordinary and extraordinary audits regarding the application of procedures, the findings of which are disclosed to the Board of Directors.

Exchange rate risk

The Company operates in Europe and thus the largest part of its transactions is carried out in Euro. However, part of the Company's merchandise purchases takes place in US Dollars.

The Company mainly enters into future contracts with its external counterparties to hedge the risk of exchange rate changes, which primarily mature in less than one year from the Financial Statements date. When necessary, such futures are renewed upon maturity.

Loan interest is in the same currency as that used in the cash flows arising from the Company's operating activities, which is Euro.

The investments of the Company in other subsidiaries are not hedged because these foreign exchange positions are considered to be long-term and have been made mainly in Euro.

Product Price Fluctuation Risk

Market risk management is aimed at controlling the exposure of the Company to such risks within a framework of acceptable parameters, in parallel with optimisation of performance.

The main market risk consists in the volatility risk of raw materials (scrap) and energy prices which, in turn, contribute significantly to how the final price of products is established. The Company's policy is to present inventories at the lower between the acquisition cost and net realisable value. In periods of price fluctuation, the results are affected by the devaluation of inventories.

Investments

Investments are classified by the Company based on the purpose for which they were acquired.

Management decides on adequate classification of the investment at the time of acquisition. Management also estimates that there will be no default in connection with such investments.

Interest rate risk

The Company finances its investments and its needs for working capital from bank and bond loans resulting in interest charges affecting its results. Rising interest rates will have a negative impact on results as the Company's borrowing costs will increase. The Company enters into interest rate swap contracts to mitigate interest rate risk.

Guarantees

The Company's policy requires that no guarantees are provided. By way of exception, however, such guarantees may be provided solely to subsidiaries and affiliates based on a resolution passed by the Board of Directors.

Capital management

The Board of Directors' policy is to maintain a strong capital base, in order to keep the Company trustworthy among creditors and market players and enable the future development of the Company's operations. The Board of Directors monitors capital performance, which is defined by the Company as the net results divided by the total net worth, exclusive of non-convertible preferred shares. The Board of Directors also monitors the level of dividends distributed to holders of common shares.

The Board of Directors tries to maintain a balance between the higher return that would have been attained through increased loans and the advantages and security offered by a robust and sound capital base.

		31.12.2025	31.12.2024
Debt Ratio	Non-current liabilities	0.62	0.61
	Non-current Liabilities + Total Equity		

		31.12.2025	31.12.2024
Equity-to-asset ratio	Total Equity	70.99%	65.30%
	Total non-current assets		

On 31 December 2025 and 2024, gearing ratios were as follows:

	31.12.2025	31.12.2024
Total borrowing	289,900,565	271,846,058
Less:		
Cash and cash equivalents	(1,567,718)	(620,801)
Net debt	288,332,846	271,225,256
Total net worth	135,500,663	122,823,497
Total capital employed	423,833,509	394,048,754
Leverage ratio	68%	69%

The Company does not have a specific treasury stock purchasing plan.

There have been no changes in the approach adopted by the Company concerning capital management during the financial year.

Determination of fair value

The fair value of financial assets that are traded in active markets (stock markets) (e.g. derivatives, shares, bonds, mutual funds) is set according to the published prices that are valid on the financial statements reporting date. The ask price and the bid price are used for financial assets and financial liabilities, respectively.

The fair value of financial assets that are not traded in active markets is set through the use of valuation techniques and assumptions that are based on market data on the financial statements reporting date.

The nominal value less impairment allowances is deemed to be close to the actual value. Actual values of financial liabilities, for the purpose of presenting them in the financial statements, are calculated based on the present value of future cash flows arising from specific contracts using the current interest rate which is available to the Company for the use of similar financial instruments.

Macroeconomic environment risks

The Company assesses the effects that may arise from changes to the global economic environment, evaluating their impact on the markets in which the Company operates.

The global macroeconomic and financial environment is showing signs of improvement, however uncertainties persist. The Company's Management evaluates on an ongoing basis the likely effects of any changes to the worldwide macroeconomic and financial environment to ensure that all necessary actions and measures are taken to minimise any effects on the Company's activities.

The Company reviewed the effects of the current macroeconomic environment on the measurement of non-financial and financial assets.

In addition, Management reassessed the recoverability of trade and other receivables including intra-company receivables. Management evaluated the effect of the economic backdrop on the calculation of expected credit losses (ECL) and the effect of credit risk on the amount, time and uncertainty of future cash flows.

Management assesses on an ongoing basis the likely effects of any changes to the macroeconomic and financial environment in Greece, having regard to global economic developments, so as to ensure that all necessary steps are taken to minimise the effects on the Company's global operations.

SOVEL's strong customer base outside Greece minimises liquidity risk that may result from uncertainty of the economic environment in Greece.

SOVEL closely monitors and evaluates on an ongoing basis the developments in the international and domestic environment and timely adapts its business strategy and risk management policies in order to minimise the impact of the macroeconomic conditions on its operations.

Risks related to climate change

The Company is aware of the importance of global climate change and environmental matters. Climate change risks entail changes for the Company's operations such as increased energy cost, volatility of energy and fuel prices, disruption of energy supply, non-compliance with the relevant environmental laws and potential damage to our facilities due to extreme weather conditions, all of which potentially leading to reputational damage and operating disruptions.

However, in its attempt to help mitigate such matters, the Company works methodically to minimise any likely negative impacts and proactively addresses risks emerging in all its operations. The Company complies with applicable environmental laws and relevant provisions, incorporates sustainable practices and procedures while conducting all necessary environmental impact assessments. Moreover, the Company is committed to carrying on its business activities in an environmentally responsible manner, acknowledging that environmental protection, energy saving and preservation of natural resources are an integral part of responsible and sustainable business development.

Management has assessed the likely economic effects related to risks. The following assessments were made in relation to the financial statements:

- Climate change is not expected to have a material impact on the Company as a going concern nor on its sustainability in the years ahead.
- Climate change is not expected to have a material impact on those factors (such as useful life and amortisation methods) determining the book value of non-current assets nor the company as a going concern.
- Climate change is not expected to have a material impact on the provisions for the cash flows used in impairment estimates of the value in use of non-current assets nor the company as a going concern.

Management has concluded that there are no further significant economic effects of climate change risks on the Company's Financial Statements.

Effects of energy prices

When carrying on its business activities, the Company is exposed to fluctuations of natural gas and electricity prices. The Company does not use any hedging instruments in relation to its future needs for natural gas and electricity; as a result, any price increase may have a negative impact on production cost.

Likely effects of the crisis in Ukraine and Middle East

The Company does not operate in the affected regions nor has any major exposure to goods affected by the crises in Ukraine and Middle East; thus, its financials have not been affected. In all events, in light of the ever-changing circumstances, Management monitors developments and is ready to take all necessary steps, if necessary.

Liquidity risk

The largest part of borrowing refers to long-term loans.

The Company is financed solely by Greek financial institutions.

The approach adopted by the Company to manage liquidity is to ensure, by holding absolutely necessary cash assets and adequate credit lines from cooperating banks, that it will always have adequate liquidity to satisfy its obligations when they mature, under normal or more challenging conditions, without incurring unacceptable damage or putting its reputation at risk. To avoid liquidity risk, the Company makes a cash flow provision for one year when preparing the annual budget and makes a monthly rolling provision for three months to ensure that it has adequate cash to cover its operating needs.

The Company has direct access to funding sources and in the past refinanced its short-term loan liabilities. The Company assesses that refinancing of its short-term borrowings will continue in the future as in the past, if deemed necessary.

The Company continues to apply the going concern principle when preparing the financial statements for the period ended on 31 December 2025.

Operational risks

Developments that could have a negative impact on the Greek economy are beyond the Company's control and Management is not able to forecast the impacts they could have. Nevertheless, having regard to its export orientation boosted by the modern manufacturing plants owned in Greece, the Company's Management assesses the situation and its likely effects on an ongoing basis and timely takes all necessary and possible measures and actions to minimise any impact on its activities.

Credit risk

Credit risk is the risk of loss to the Company where a customer or third party in a financial instrument transaction does not discharge its contractual obligations and primarily relates to trade receivables. There is also a potential credit risk from cash and cash equivalents, investments and derivatives contracts.

The Company's exposure to credit risk is primarily affected by the characteristics of each customer. The demographics of the Company's clientèle, including the risk of default specific to this market and the country in which customers operate, have a limited effect on credit risk since there is no geographic concentration of credit risk.

Based on the credit policy adopted by the Board of Directors, each new customer is individually checked for creditworthiness before normal payment terms are proposed. Credit lines are set for every customer, and they are re-examined in the light of current circumstances and, if required, the relevant sales and payment terms are readjusted accordingly. Customer credit lines are normally determined based on the

insurance limits obtained for them from insurance companies and then receivables are insured based on such credit lines.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of recoverability they have shown. Trade and other receivables include mainly wholesale customers of the Company. Any customers characterised as being of “high risk” are included in a special list of customers and future sales must be received in advance. Depending on the background of the customer and its capacity, the Company demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

The Company makes impairment provisions which reflect its assessment of losses and expected losses from customers, other receivables and the investment securities. This provision consists mainly of impairment losses from specific receivables and is assessed based on given circumstances that they will be incurred but have not been finalised yet. It also consists of the provision for the expected credit losses.

As regards inter-company customers, the Company calculates expected credit losses, based on the ultimate parent Company’s credit risk. As for years 2025 and 2024, no provision was raised for receivables from inter-company customers due to the insignificant amount that arose from the assessment conducted.

Cash and cash equivalents are considered items with low credit risk according to the credit rating that was performed.

VII. Business development in 2026

As regards the impact of the international macroeconomic environment, the Company’s performance was steady during 2025, confirming estimates for improved profitability in relation to the previous year. As for 2026, the outlook remains moderately optimistic, in line with the following key pillars:

- Monetary policy and inflation rate: Despite the uncertainty generated by the geopolitical tensions in the international supply chain, the emerging stabilising trend of macroeconomic indicators is expected to support the sector. Maintaining interest rates at those levels that will enable financing of large projects, in conjunction with continuous demand for building materials, is expected to secure the positive performance of construction activities and demand for steel products in 2026.
- Geopolitical environment and trade: The Company focuses on being shielded against international instability. The implementation of the CBAM mechanism in the EU is a major advantage for the Company as it favours European manufacturers of low carbon footprint compared to unfair competition from third countries.
- Energy cost: Despite geopolitical tensions in the Middle East, the Company focuses on curtailing energy cost by optimising production planning and upgrading the energy efficiency of its plants on an ongoing basis. Meanwhile, Management monitors closely all fluctuations of international prices in order to adapt its trading policy and secure its profitability margins.

Overall, as regards 2026, Management estimates that the Company will maintain its leading position in the market in which it operates, aiming to further boost its turnover and market share, after capitalising on the major infrastructure projects that are under way in Greece and South-eastern Europe.

VIII. Events after the date of the Statement of Financial Position

Subsequent to 31st of December 2025, developments in the Middle East and specifically the situation in Iran have led to increased geopolitical uncertainty, volatility in the international energy and commodity markets, as well as eventual effects on supply chains, transports via critical maritime routes and operating costs of businesses having direct or indirect exposure to the region.

It is stressed that the Company is neither engaged in any business activities in the affected areas nor has any major exposure to commodities affected by the geopolitical crisis in the Middle East. Therefore, the Company’s key financials have not been materially affected. However, in light of the ever-changing

dynamics of the circumstances, Management closely monitors the situation and is prompt in taking all appropriate measures, when deemed necessary. Following the publication of separate and consolidated financial statements as at 31 December 2025, there were no other events than the above that could have a significant effect on the understanding of such financial statements and have to be disclosed or entail a change in them.

Athens, 3 July 2026

The Chairman of the BoD

Nikolaos Mariou
ID Card No: A02028696

Audit Report by Independent Certified Public Accountant

Independent Auditor's Report (Translated from the original in Greek)

To the Shareholders of
SOVEL HELLENIC STEEL PROCESSING COMPANY SA

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of SOVEL HELLENIC STEEL PROCESSING COMPANY SA (the "Company") which comprise the Statement of Financial Position as at 31 December 2025, the Statements of Comprehensive Income, Changes in Equity and Cash Flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying Financial Statements present fairly, in all material respects, the financial position of SOVEL HELLENIC STEEL PROCESSING COMPANY SA as at 31 December 2025 and its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA) as incorporated in Greek legislation. Our responsibilities under those standards are further described in the Auditors' Responsibilities 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 International Code of Ethics for Professional Accountants as incorporated in Greek legislation, and the ethical requirements that are relevant to the audit of the financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the applicable legislation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors' Report, which is further referred to in the "Report on Other Legal and Regulatory Requirements", but does not include the Financial Statements and our auditors' report thereon.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this respect.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the Financial Statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that

includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs which have been incorporated in Greek legislation will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit in accordance with ISAs, which have been incorporated in Greek legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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, or 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 purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of 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 as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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.
- Evaluate the overall presentation, structure and content of the 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 the Board of Directors 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.

Report on Other Legal and Regulatory Requirements

Board of Directors' Report

The Board of Directors is responsible for the preparation of the Board of Directors' Report. Our opinion on the financial statements does not cover the Board of Directors' Report and we do not express an audit opinion thereon. Our responsibility is to read the Board of Directors' Report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work pursuant to the provisions of paragraph 1, section aa, ab and b of Article 154C of Law 4548/2018, we note that:

- (a) In our opinion, the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of Articles 150 of L. 4548/2018 and its contents correspond with the accompanying Financial Statements for the year ended 31 December 2025.
- (b) Based on the knowledge acquired during our audit, relating to SOVEL HELLENIC STEEL PROCESSING COMPANY SA and its environment, we have not identified any material misstatements in the Board of Directors' Report.

Athens, 30 July 2026
KPMG Certified Auditors S.A.
AM SOEL 186

Alexandros – Petros Veldekis, Certified Auditor Accountant
AM SOEL 26141

Annual Financial Statements
on the financial year from 1 January 2025 to 31 December 2025 pursuant to the
International Financial Reporting Standards (IFRS)

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Statement of Financial Position

<i>Amounts in Euro</i>		31.12.2025	31.12.2024
ASSETS			
Non-current assets			
Property, plant and equipment	15	143,915,160	134,264,918
Right-of-use assets	16	2,342,399	615,542
Intangible assets		224,460	196,019
Investments in subsidiaries	17	39,300,000	48,300,000
Investments in associates	18	4,818,038	4,491,150
Other investments	5.3	212,479	212,479
Long-term derivative financial assets	23	45,152	-
Other long-term receivables	13	18,942	15,237
Total non-current assets		190,876,629	188,095,345
Current assets			
Inventories	12	104,095,926	106,098,215
Trade and other receivables	13	295,457,936	243,431,423
Contract assets	13	885,163	932,591
Income tax advance		2,659,118	1,135,989
Derivative financial assets	23	43,481	-
Cash and cash equivalents	14	1,567,718	620,801
Total current assets		404,709,343	352,219,019
Total assets		595,585,972	540,314,364
EQUITY			
Share capital	19	40,981,356	40,981,356
Share premium	19	47,611,049	47,611,049
Reserves	19	41,359,877	41,156,151
Retained earnings/(losses)		5,548,381	(6,925,058)
Total equity		135,500,663	122,823,497
LIABILITIES			
Non-current liabilities			
Loans and borrowings	20	201,603,698	166,445,126
Lease liabilities	20	692,028	401,450
Derivatives	23	-	216,034
Deferred tax liabilities	11	10,913,540	11,964,888
Post-employment benefit liabilities	10	1,442,099	1,413,291
Grants	22	38,329	41,545
Provisions		-	-
Other long-term liabilities		2,712,579	9,061,525
Total non-current liabilities		217,402,273	189,543,859
Current liabilities			
Trade and other payables	21	146,667,955	118,054,298
Contract liabilities	6	1,195,006	1,253,404
Current tax liability		7,215,236	3,639,825
Loans and borrowings	20	85,897,044	104,743,083
Lease liabilities	20	1,707,794	256,399
Total current liabilities		242,683,035	227,947,007
Total liabilities		460,085,309	417,490,866
Total equity and liabilities		595,585,972	540,314,364

The notes on pages 7–46 are an integral part of these financial statements.

Statement of Comprehensive Income

<i>Amounts in Euro</i>		2025	2024*
Revenue	6	482,534,936	475,485,114
Cost of goods sold	8	(415,798,120)	(434,330,065)
Gross profit		66,736,816	41,155,049
Other income	7	1,586,432	4,273,947
Selling and distribution expenses	8	(6,822,639)	(7,299,825)
Administrative expenses	8	(14,490,338)	(14,118,634)
Other expenses	7	(10,769,357)	(5,494,605)
Impairment loss on receivables and contract assets	13	(60,659)	-
Operating results		36,180,255	18,515,932
Finance income	9	411,042	1,329,080
Finance costs	9	(18,293,788)	(19,817,571)
Dividends	26	54,000	25,200
Net Finance Income / (Cost)		(17,828,746)	(18,463,291)
Profits/(losses) before taxes		18,351,508	52,640
Income tax	11	(5,838,229)	(253,491)
Net profit for the period		12,513,279	(200,851)
OCI items that will not be reclassified to profit or loss in future periods			
Recognised actuarial (gains)/losses	10	(51,076)	(95,995)
Related tax	11	11,237	21,119
Total		(39,839)	(74,876)
Other items of comprehensive income that might be subsequently reclassified to profit or loss			
Gain/(loss) from derivatives valuation for hedging purposes - effective portion		261,187	(216,034)
Profit/(loss) from derivatives valuation for hedging purposes – reclassified to profit or loss		-	80,002
Related tax		(57,461)	29,927
Total		203,726	(106,106)
Other comprehensive income, net of tax		163,886	(180,982)
Total comprehensive income after tax		12,677,165	(381,833)

* The accounts “Cost of goods sold, Other expenses, Selling and administrative expenses” have been restated for comparability purposes (notes 7-8).

The notes on pages 7–46 are an integral part of these financial statements.

Statement of Changes in Equity

<i>Amounts in Euro</i>	Share capital	Share premium	Reserves	Retained Earnings	Total Equity
Balance on 01 January 2024	40,981,356	47,611,049	41,262,257	(6,649,331)	123,205,330
Profit/(loss) directly recognised in owner's equity	-	-	(106,106)	(74,876)	(180,982)
Net profit/(loss) for the year	-	-	-	(200,851)	(200,851)
Total comprehensive income	-	-	(106,106)	(275,727)	(381,833)
Balance on 31 December 2024	40,981,356	47,611,049	41,156,151	(6,925,058)	122,823,498

<i>Amounts in Euro</i>	Share capital	Share premium	Reserves	Retained Earnings	Total Equity
Balance on 01 January 2025	40,981,356	47,611,049	41,156,151	(6,925,058)	122,823,498
Profit/(loss) directly recognised in equity	-	-	203,726	(39,839)	163,886
Net profit/(loss) for the year	-	-	-	12,513,279	12,513,279
Total comprehensive income	-	-	203,726	12,473,440	12,677,165
Balance on 31 December 2025	40,981,356	47,611,049	41,359,877	5,548,381	135,500,663

The notes on pages 7–46 are an integral part of these financial statements.

Statement of Cash Flows

<i>Amounts in Euro</i>		2025	2024
Cash flows from operating activities			
Profit/(loss) after income tax		12,513,279	(200,851)
<u>Adjustments for:</u>			
Income tax	11	5,838,229	253,491
Depreciation of tangible assets	15	8,314,737	8,353,810
Deprecation of right-of-use tangible assets	16	1,414,192	721,280
Depreciation of intangible assets		30,924	45,154
Grants amortisation	22	(3,215)	(245,895)
Net financial cost	9	17,828,746	18,463,291
Losses from destruction/impairment of fixed assets		1,170,956	951,331
(Gains)/Losses from foreign exchange differences		(468,789)	737,927
(Profit)/Loss from derivatives valuation		1,573,483	(364,598)
(Profit)/Losses from the sale of tangible assets		-	(24,906)
Provisions / (Reversal of provisions) for receivables impairment	13	60,659	-
Provisions / (Reversal of provisions) for participating interests impairment	7	8,673,112	579,532
		56,946,315	29,269,565
<u>Changes in working capital:</u>			
Decrease/(increase) in inventories		2,002,289	(10,279,800)
Decrease/(increase) in receivables		(51,860,113)	(29,183,638)
(Decrease) / Increase in liabilities (excl. banks)		20,683,913	(1,018,012)
Decrease / (Increase) in contract liabilities		(58,397)	927,472
Decrease / (Increase) in contract assets		47,428	(804,409)
(Decrease)/Increase in employee benefits		(22,267)	170,207
		(29,207,148)	(40,188,180)
Interest paid		(17,697,014)	(19,811,988)
Taxes paid		(4,883,520)	(2,558,160)
Net cash flows from operating activities		5,158,632	(33,288,762)
Cash flows from investing activities			
Purchases of property, plant and equipment	15	(19,188,931)	(9,885,497)
Purchase of intangible assets		(6,369)	(12,562)
Proceeds from sales of property, plant & equipment		-	362,000
Dividend received		51,300	25,200
Interest received		22,890	14,957
Net cash flows from investing activities		(19,121,110)	(9,495,903)

<i>Amounts in Euro</i>		2025	2024
Cash flows from financing activities			
Loans obtained	20	70,000,000	-
Changes in revolving loans		(36,722,598)	66,406,710
Loans repayment	20	(17,082,858)	(24,082,694)
Repayments of lease principal	20	(1,398,236)	(780,874)
Net cash flows from financing activities		14,796,308	41,543,141
Net increase / (decrease) in cash and cash equivalents			
Cash and cash equivalents on 1 January	14	620,801	1,862,325
Effect of movement in exchange rates on cash held		113,087	-
Cash and cash equivalents on 31 December	14	1,567,718	620,801

The notes on pages 7–46 are an integral part of these financial statements.

Notes to the Financial Statements

1. General Information

SOVEL HELLENIC STEEL PROCESSING COMPANY S.A. (hereinafter “SOVEL” or “Company”) was established and has its registered office in Greece, at 2-4, Mesogheion Avenue, Athens. The Company’s URL is www.sidenor.gr.

The Company’s term is indefinite and it has been registered with the General Commercial Registry (GEMI) with number 2294101000 (former Companies Registry No. 23635/01B/91/543(93)).

The Company operates in Greece and in the broader region of the Balkans and Europe area and it is a subsidiary of SIDENOR STEEL INDUSTRY S.A. while the ultimate parent company is VIOHALCO S.A., which is listed on Euronext Brussels and Athens Stock Exchange. Company financial statements are included in the consolidated financial statements of the ultimate parent company VIOHALCO SA.

The core activities of the Company consist in the industrial processing and trade of iron and steel products.

The Financial Statements were approved for publication by the Company’s Board of Directors on 3 July 2026, and are subject to approval by the Company’s Ordinary General Meeting of Shareholders, which will take place on 1 September 2026. The Financial Statements can be found on the Company's website.

2. Presentation basis of Financial Statements

2.1 Statement of Compliance

The Financial Statements of the Company have been prepared in accordance with the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and their interpretations, as adopted by the European Union, on the basis of the going concern principle.

2.2 Basis of measurement, Functional and presentation currency

The Financial Statements have been prepared on the basis of the historical cost principle save employee benefits due to termination of service, leasing liabilities measured at present value and derivatives that are measured at fair value.

The Financial Statements are presented in Euro which is the Company's functional currency.

2.3 Going concern principle

Company Management prepared the Financial Statements on going concern principle, taking into account the economic factors and the extent to which they affect the Company's operations given that pursuant to the existing forecasts and available financial resources Management neither intends nor needs to liquidate Company assets in the short run. Company forecasts take reasonable account of possible changes in commercial performance, and give Management the reasonable expectation that the Company has adequate resources to continue smoothly its business operations in the near future.

As regards the impact of the volatile macroeconomic and geopolitical setting and the outlook for 2026, it is estimated that the effect on the Company's financials will be limited. More specifically, as regards 2026 and based on the data available to date, it is expected that the Company’s results on turnover and profitability levels will be better compared to 2025.

Management drafted a budget which sets out positive operating cash flows for 2026 and 2027. To date the Company has adequately discharged its liabilities.

Therefore, the Company continues to apply the going concern principle when preparing the financial statements for the year ended on 31 December 2025.

2.4 Use of estimates and assumptions

The preparation of IFRS-compliant financial statements requires the use of estimates and the adoption of assumptions by Management which may affect the accounting balances of assets and liabilities as well as the income and expense figures. The actual results may differ from these estimations. However, based

on its assessment, Management has reached the conclusion that no additional impairment provisions are required for financial and non-financial assets of the Company as at 31 December 2025.

Estimates and relevant assumptions are re-examined at regular intervals. Any deviations of the accounting estimates are recognised in the period in which they are reviewed provided they concern solely the current period or, if they refer to future periods, the deviations concern both current and future periods.

The accounting estimates made by Management when applying the accounting policies and expected to affect mostly the Financial Statements of the Company are as follows:

- Income tax
- Impairment test on property, plant and equipment
- Measurement of provision for doubtful debts
- The level of provisions for post-employment employee benefits
- Impairment test on investments in subsidiaries and associate companies
- Check of net realisable value

Information regarding the above assumptions and estimates which could have a significant effect on the Company's Financial Statements are outlined below:

a) Income tax expense (note 11)

The provision for income tax based on IAS 12 is calculated by estimating the taxes to be paid to the tax authorities and includes the current income tax for every financial year and a provision for surtaxes that may emerge in future tax audits. Consequently, the final settlement of the amount of income tax payable may deviate from the relevant amounts which have been recorded in the Financial Statements.

b) Impairment test on tangible assets (note 15)

At the end of each financial year, the Company's Management should assess whether there are any indications of a possible impairment of tangible assets. To verify the existence of such indications, obsolescence, physical condition, expected use and present value of the estimated future cash flows of the fixed asset are taken into consideration.

c) Measurement of provision for bad debts (notes 13, 5.1b).

The Company impairs trade receivables according to expected credit losses on trade receivables when there are data or indications which prove that the collection of a receivable in total or a part of it is not probable. Company's Management reassess periodically the adequacy of provision for doubtful debts based on various factors such as assumptions they manage, and their estimates/judgment about the impact of other factors on the recoverability of trade receivables.

d) Post-employment benefit liabilities (note 10)

The obligations to compensate staff are computed using actuarial methods which require Management to estimate specific parameters such as the future increase in employee pay, the discount rate for those obligations, the employee departure rate, etc. Management attempts, at each financial position reference date on which the above provision is revised, to evaluate these parameters in the best possible manner.

e) Impairment test on investments in subsidiaries and associate companies (notes 17 and 18)

The Company conducts a related impairment test of investments in subsidiaries and associates whenever there is evidence of impairment in accordance with IAS 36. In order to determine whether there are any reasons for impairment, it is necessary to calculate the value in use and the fair value less costs to sell each Cash Generation Unit (CGU). Recoverable amounts of CGUs have been determined for impairment testing purposes based on the calculation of their value in use, which requires estimates. To calculate the value in use, the estimated cash flows are discounted at their present value using a discount rate that reflects current market estimates about the value of money over time and the risks associated with the specific CGU. The calculation uses cash provisions based on Management-approved business plans. These business plans and provisions for cash flows usually apply to a five-

year period. Cash flows beyond the period in which provisions are available are extended according to the estimated growth rates.

f) Check of net realisable value (note 12)

The Company exercises its judgment gained from its experience in the sector in which it operates so as to assess in the best possible manner the future selling prices of its inventories. The current selling prices prevailing shortly before and after the closing date of Financial Statements are consistently used as a base for assessments unless it is certain that on the date of the Statement of Financial Position the inventories will be made available on predetermined prices in the future, with the result of the estimated selling prices on such dates being used in the relevant calculations.

3. New standards, interpretations and amendment to existing standards

A. New Standards, Interpretations, Revisions and Amendments to existing Standards that have taken effect and have been adopted by the European Union

As of January 1, 2025, the Company has adopted all changes to IFRS that are related to its operations, as such changes have been adopted by the European Union (EU). Such adoption has no significant effects on the Company's Financial Statements.

B. New Standards, Interpretations and Amendments to existing Standards which are not yet in effect or have not been adopted by the European Union

The following new IFRS, Revisions to IFRS and Interpretations have been published by the International Accounting Standards Board ("IASB") but have not been enacted for annual periods beginning on January 1, 2025. Those IFRS applying to the Company's operations are set out below. The Company does not intend to adopt the following new IFRS, Revisions to IFRS and Interpretations before their effective date.

- IFRS 18 "Presentation and Disclosure in Financial Statements" (effective for annual periods beginning on or after 1 January 2027)

In April 2024, the International Accounting Standards Board (IASB) issued a new Standard, IFRS 18, which replaces IAS 1 "Presentation of Financial Statements".

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely: operating, investing, financing, discontinued operations, and income taxes. Entities are also required to present a new, defined subtotal of operating profit. The entity's net profit will not change.
- Performance measures as defined by management (Management Defined Performance Measures – MPMs) are disclosed aggregated in a single note in the financial statements.
- Specific guidance is provided regarding the aggregation/grouping of information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows using the indirect method.

The Standard becomes effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. This Standard has not yet been adopted by the European Union.

- IFRS 19 "Subsidiaries without Public Accountability: Disclosures" (effective for annual periods beginning on or after 1 January 2027)

In May 2024, the International Accounting Standards Board (IASB) issued IFRS 19, *Subsidiaries without Public Accountability: Disclosures*. The Standard permits eligible subsidiaries whose parent prepares publicly available consolidated financial statements in accordance with IFRS Accounting Standards to apply IFRS Accounting Standards with reduced disclosure requirements. Subsidiaries electing to apply IFRS 19 continue to apply the recognition, measurement and presentation requirements of other IFRS Accounting Standards, while benefiting from reduced disclosure requirements, except where specific disclosures are required by IFRS 19.

The Standard is effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 19 has been adopted by the European Union.

- Amendments to the Classification and Measurement of Financial Statements (Amendments to IFRS 9 and IFRS 7) (effective for annual accounting periods beginning on or after 1 January 2026)

The amendment clarifies that a financial liability is derecognised on the “settlement date”, and introduces an accounting policy option to derecognise financial liabilities that are settled through an electronic payment system before the settlement date. It further clarifies how financial assets that are linked with environmental, social and governance (ESG) features are classified through additional guidance on the evaluation of contingent features. It also provides clarifications on loans without the right of recourse (non recourse loans) and contractually linked instruments (contractually linked instrument)s, including guidance on the key characteristics of such instruments and how they differ from financial assets with non-recourse features. In addition, the amendments provide further guidance on the assessment of the cash flows underlying a financial asset with non-recourse features by introducing factors that an entity should consider when applying the “look-through” test.

These amendments require additional disclosures regarding investments in equity instruments measured at fair value through other comprehensive income (FVOCI).

- Annual Improvements to IFRS (Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7) (effective for annual accounting periods beginning on or after 1 January 2026)

“Annual Improvements to IAS and IFRS Standards - Volume 11” were published on July 18, 2024, by the International Accounting Standards Board and set out amendments including clarifications, simplifications, corrections and changes to the following Standards:

- IFRS 1 “First-time Adoption of International Financial Reporting Standards - Hedge accounting by a first-time adopter”
- IFRS 7 “Financial instruments: Disclosures:
 - Profit or loss from derecognition
 - Disclosures of differences between fair value and transaction price
 - Disclosures of credit risk
- IFRS 9 “Financial Instruments,
 - Derecognition of lease liabilities
 - Transaction price
- IFRS 10 “Consolidated Financial Statements - Determination of “a de facto agent”
- IAS 7 “Statement of Cash Flows - Cost Method”

Amendments to IFRS 9 clarify:

- the difference between IFRS 9 and IFRS 15 “Revenue from Contracts with Customers” in relation to the initial measurement of trade receivables;
- the issue of how a lessee accounts for derecognition of a leasing liability in relation to IFRS 9.

The amendment involving derecognition of lease liabilities applies only to lease liabilities extinguished on or after the beginning of the annual reporting period in which the amendment is first applied.

The amendments apply to annual accounting periods beginning on or after 1 January 2026 with prior adoption allowed. These amendments have not been adopted yet by the European Union.

- Amendments to IFRS 9 and IFRS 7 – Renewable Electricity Contracts (effective for annual periods beginning on or after 1 January 2026)

On 18 December 2024, the International Accounting Standards Board (IASB) issued amendments to IFRS 9 and IFRS 7 relating to renewable electricity contracts. The objective of these amendments is to better reflect the effects of physical and virtual power purchase agreements (PPAs) in the financial statements.

In particular, the amendments:

- clarify the application of the own-use requirements;
- permit the application of hedge accounting when such contracts are designated as hedging instruments; and
- introduce additional disclosure requirements to enable investors to better understand the effects of these contracts on an entity's financial performance and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The Company is currently assessing the impact of these amendments on its financial statements for future reporting periods.

4. Significant accounting policies

The accounting policies applied to the preparation and presentation of these Financial Statements are consistent with the accounting policies applied to the preparation of the Financial Statements for the year ended on 31 December 2024.

The most important accounting principles and methods used in the preparation of the Financial Statements are outlined below.

4.1 Tangible assets

Property, plant and equipment (PPE) are measured at acquisition cost less accumulated depreciation and impairment. The acquisition cost includes all directly attributable expenses for acquiring assets.

Subsequent expenses are recorded as an increase to the book value of fixed assets or as a separate asset only where it is likely that the future financial benefits will accrue to the Company and their cost can be reliably measured. The cost of repair and maintenance work is recognised in profit or loss when incurred.

Plots - lots are not depreciated. Other tangible fixed assets are depreciated based on the straight-line method with equal interim charges during the asset's expected useful life, so that the cost may be written off at its residual value as follows:

Buildings	10-33 years
Machinery	2-35 years
Means of transport	6-7 years
Furniture and other equipment	3-8 years

The residual value and useful life of PPE are subject to review on each reporting date of the Financial Statements.

When the book value of PPE exceeds its estimated recoverable value, the difference (impairment) is posted directly as expenses to the Statement of Comprehensive Income.

When tangible assets are sold, differences between the price received and the book value are posted as profits or losses to the Statement of Comprehensive Income.

Financial expenses which relate to the construction of assets are capitalised for the time required to complete construction. All other financial expenses are recognised in the Statement of Comprehensive Income.

4.2. Intangible assets

Intangible assets acquired separately are recognised at acquisition cost while any intangible assets acquired through the purchase of entities are recognised at their fair value on acquisition date. After acquisition they are valued at that amount less accumulated depreciation and any accumulated impairment losses. The useful life of intangible assets may be limited or unlimited. The cost of intangible assets with a limited useful life is depreciated over the estimated useful life using the straight-line method. Intangible assets are depreciated from the date they become available for use.

Intangible assets with unlimited useful life are not depreciated but are subject periodically (at least annually) to an estimate of any impairment based on the provisions of IAS 36 “Impairment of Assets”. Residual values are not recognised. The useful life of intangible assets is evaluated on an annual basis.

Software licences are valued at acquisition cost less accumulated depreciation and any accumulated impairment. Depreciation is calculated using the straight-line method over their useful life which ranges from 3 to 5 years.

Expenses required to develop and maintain software are posted as expenses through profit or loss during the year they incur.

4.3 Investments in subsidiaries

The Company records investments in subsidiaries, associates and joint ventures in its financial statements at acquisition cost less impairment.

4.4 Impairment of non-financial assets

Assets that have an indefinite useful life are not amortised, but are subject to impairment testing annually and when certain events demonstrate that the carrying amount may not be recoverable. Assets that are depreciated are subject to impairment testing when there are indications that their book value will not be recovered. The recoverable value is the higher between fair value decreased by the required cost to sell and value in use (present value of cash flows expected to be generated on the basis of Management’s estimate about future financial and operating conditions). Impairment losses are presented as expenses in the Statement of Comprehensive Income when they arise. To estimate impairment losses, assets are classified into the smallest possible cash-generating units. Non-financial assets, other than goodwill, which have been impaired are re-assessed for any possible reversal in impairment at the end of each reporting period. In this case, the recoverable amount of the asset is re-determined and the impairment loss is reversed thus restoring the book value of the asset to its recoverable amount to the extent this does not exceed the book value of the asset that would have been determined (net of depreciation or impairment) if impairment loss had not been posted in prior years.

4.5 Financial assets and financial liabilities

4.5.1 Initial recognition and measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the relevant instrument.

A financial asset (unless it is a trade receivable without a significant financing component that is initially measured at the transaction price) is initially measured at fair value plus, for an item not measured at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

4.5.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured either at: a) its amortised cost b) or at Fair Value through Other Comprehensive Income (FVOCI) c) or at Fair Value Through Profit and Loss (FVPL).

Financial assets are not reclassified subsequent to their initial recognition, unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets all of the following conditions:

- it is not designated by Management as an asset measured at FVTPL;
- it is held within a business model whose objective is to hold financial assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in Other Comprehensive Income. This election is made on an investment-by-investment basis.

All financial assets (except for derivative financial instruments held for hedging purposes) not classified as measured at amortised cost or at FVOCI, as described above, are measured at FVTPL. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost either at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For the subsequent measurement of financial assets and liabilities, the following accounting principles are applied:

Financial assets – Subsequent measurement and profits/losses

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised through profit or loss. Any gain or loss on derecognition is also recognised in the Statement of Comprehensive Income.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortised cost.

All financial liabilities (save derivatives held for hedging purposes) are subsequently measured at amortised cost using the effective interest method. Interest expenses as well as credit and debit foreign exchange differences are recognised in the Statement of Comprehensive Income as well as any profit or loss from writing them off.

4.5.3 Impairment of financial assets

The Company recognises provisions for impairment for expected credit losses for all the above financial assets apart from those measured at fair value through profit and loss.

To determine the expected credit losses in relation to trade receivables, the Company implements the simplified approach stipulated in IFRS 9. Based on this approach, the Company recognises the expected lifetime losses upon initial recognition and over the lifetime of trade receivables.

Losses are recognised in profit or loss and are reflected on provisions. Whenever the Company believes there is no realistic prospect of recovering the asset, the relevant amounts will be crossed out. If the amount of impairment loss is subsequently reduced and such reduction is associated with an objective event which occurred after the impairment was recognised, then the impairment loss initially recognised is reversed through profit or loss.

The Company's trade and other receivables, save those for which a provision for impairment has been raised, will be considered collectible as a whole.

4.5.4 Derecognition

Financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in the Statement of Comprehensive Income.

4.5.5 Offsetting

Financial assets and liabilities are offset and the net amount is presented in the Statement of Financial Position when, and only when, the Company has a lawful right to offset the amounts and it intends either to settle the transaction net or to realise the assets and settle the liability simultaneously.

4.6 Inventories

Inventories are stated at the lower of acquisition cost and net realisable value. The cost is calculated using the average monthly weighted cost method. Finance costs are not included in the acquisition cost of inventories. Net realisable value is assessed based on current selling prices of inventories in the course of ordinary business less any sales expenses, as applicable. A provision for slow-moving or obsolete inventories is formed when necessary.

4.7 Cash and cash equivalents

Cash and cash equivalents include cash on hand, sight deposits and other short-term highly liquid investments maturing within 3 months which can be readily converted to specific amounts of cash assets and which are subject to a negligible risk of change in their value.

4.8 Share capital

Ordinary shares are included in equity.

Direct costs for the issuing of shares are presented after deducting the income tax applied to reduce Equity.

The cost of acquiring own shares is presented as reducing Company equity until the own shares are sold, cancelled or re-issued. Any profit or loss from the sale of own shares, net of expenses and taxes directly from the transaction is included as a reserve in equity.

4.9 Income tax

Income tax for the year includes both current and deferred tax. Taxes are recognised in profit or loss unless related to items recognised in other comprehensive income.

Current tax is calculated according to the tax laws enacted at the reporting date of the Financial Statements and is the tax expected to be paid on the taxable income for the year, and any adjustment to prior-period income tax. Management assesses periodically the positions in tax returns regarding situations where tax laws are subject to interpretation and raises adequate provisions, if necessary, in relation to the amounts expected to be paid to tax authorities.

Deferred income tax is calculated using the temporary differences that arise between the tax base and the book value of assets and liabilities in the financial statements. There is no deferred tax: (a) if it derives from the initial recognition of an asset or liability in transaction other than a business combination and the recognition did not affect either the accounting or the tax profit or loss; (b) in relation to investments in subsidiaries to the extent that temporary differences will not be reversed; (c) on the initial recognition of goodwill. Deferred tax is determined using the tax rates that are expected to apply to the period in which the asset will be liquidated or the liability will be settled. Future tax rates are defined based on laws applicable at the reporting date of the Financial Statements.

Deferred tax assets are recognised to the extent that there will be a future taxable profit for use of the temporary difference that generates the deferred tax asset. Deferred tax assets are reduced when the relevant tax benefit is realised.

Deferred tax assets and deferred tax liabilities are set off when there is a legal right to set off a current tax asset against a current tax liability and when the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

4.10 Employee benefits

The employee benefits after termination of service include defined-benefits plans as well as defined-contribution plans and healthcare plans.

(a) Post-employment benefits

A defined contribution plan is a plan under which the Company pays fixed contributions to a third legal person without any other liability. The Company has no legal or constructive obligation to pay additional contributions, if the invested assets do not suffice to address the expected employee benefits for the current period and previous periods too. A defined benefit plan is a pension plan which is not a defined contribution plan.

Typically, defined contribution plans designate a number of benefits which the employee will receive upon retirement, usually dependent on factors such as age, length of service and compensation.

The liability recorded in the Statement of Financial Position for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. An accredited independent actuary company using the projected unit credit method calculates the defined benefit obligation each year. The present value of the defined benefit obligation is calculated by discounting expected future cash outflows using interest rates on high quality corporate bonds denominated in the currency in which the benefit will be paid, the duration of which approaches the duration of the relevant retirement liability.

Current employment cost of defined benefit plans is recognised in the Statement of Comprehensive Income unless included in the cost of an asset. The current service cost reflects the increase in the defined benefit obligation deriving from employee service during the year and also from changes due to redundancy or settlements.

The service cost is posted directly in the Statement of Comprehensive Income.

Net interest expense is calculated as the net amount between the liability for the defined benefit plan and the fair value of plan assets multiplied by the discount rate. This cost is included in the Statement of Comprehensive Income in employee benefits.

Actuarial gains and losses arising from empirical adjustments and changes in actuarial assumptions are recognised in other comprehensive income in the year in which they arise.

Within the framework of defined contribution plans, the Company pays contributions to public or private insurance funds, on a mandatory or contractual or voluntary basis. Following payment of contributions, the Company has no other obligation. Contributions are recognised as a cost of employee benefits when they become payable. Any prepaid contributions are recognised as an asset to the extent that prepayment would lead to a reduction in future payments or the return of monies.

(b) Employment termination benefits

Leaving indemnity benefits are paid when employees depart before their retirement date. The Company books these benefits when it undertakes either to terminate the employment of current employees in line with a detailed plan which is not likely to be withdrawn or when these benefits are offered as an incentive for voluntary departure. Staff termination benefits due 12 months after the date of the reporting date of the Financial Statements are discounted.

(c) Short-term employee benefits

Short-term benefits to staff in cash and in kind are posted as expenses when they accrue.

4.11 Grants

Government grants are recognised at fair value when there is certainty that they will be received and the Company will comply with all the respective terms.

Government grants that are related to costs, are deferred and recognised through profit or loss to be matched with the costs they are intended to compensate unless preconditions for the collection of grants are fulfilled after the related costs are incurred. In this case, government grant is recognised when it is considered collectible.

Government grants relating to the purchase of tangible assets are included in long-term liabilities as deferred government grants and are presented as income in the statement of profit or loss using the straight-line method over the expected useful life of the relevant assets.

4.12 Provisions

Provisions are recognised when:

- i. there is a present legal or constructive obligation as a result of past events;
- ii. it is likely that a resource outflow will be required to settle the commitment; and
- iii. the amount required can be reliably assessed.

When there are similar obligations, the probability of a required outflow upon settlement is determined through an examination of the overall category of obligations. A provision is recognised even if the probability of an outflow as regards any item included in the same category of obligations is remote.

Provisions are measured at the present value of the expenditure expected to be required to settle the liability, using a pre-tax interest rate which reflects the current market estimates of the time value of money and risks associated with the liability, as the discount rate. The increase in provisions over time is posted as an interest expense.

4.13 Recognition of revenue from contracts with customers

The Company's income originates mainly from the sale of merchandise and manufactured steel products (primarily concrete reinforcing steel) and services (expenses recharged to customers).

The Company recognises revenue, apart from interest and dividend income and other related income from financial instruments recognised in accordance with IFRS 9, when transferring promised services to customers at amounts reflecting the consideration to which the Company is expected to be entitled in exchange for such goods based on the following 5-step approach:

Step 1: Identify the contract for the sale of goods.

Step 2: Identify the specific performance obligations in the contract with a customer.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognise revenue as the entity satisfies its performance obligations arising from the contract with a customer.

Revenue is recognised according to IFRS 15 at the amount to which the Company expects to be entitled in exchange for transferring services when the customer obtains control of such services, specifying the time such control will be transferred -either at a point in time or over time.

Revenue is the amount of consideration to which an economic entity expects to be entitled in exchange for transferring services or goods to a customer, save the amounts received on behalf of third parties (value added tax, other sales taxes). Variable amounts are included in the consideration and are calculated using either the "expected value" or the "most likely amount" method.

The Company recognises revenue when (or as) it satisfies the contract performance obligations, by transferring the goods or services it has promised to the customer. The timing of the transfer of ownership usually occurs when the goods have been shipped to the customers' location, unless otherwise specified

in the terms agreed with the customer. The terms defined on the contracts with international customers are compliant with Incoterms.

The Company has identified a single performance obligation which consists in the sale of the relevant products to the customer. The Company has concluded that the revenue from the sale of products meets the criteria of recognition at a point in time, given that it does not fulfil the criteria applying to recognition over time. The consideration is fixed and agreed with the customer.

Trade receivable is recognised when there is an unconditional right of the economic entity to receive the consideration for any contractual obligations performed vis-à-vis customers.

The Company does not enter into contracts when the period between the sale of the goods promised to the customer and payment by the customer exceeds one year. Therefore, the Company does not adjust the transaction price for the effects of the time value of money.

The Company provides its customers with discounts on sales volumes based on the limits specified in their contracts. The largest part of discounts is settled within a given financial year.

Contract liabilities

Whenever the Company receives consideration from the client (prepayment) before the sale contract's obligations are performed, a contract liability is recognised. A contract liability is derecognised when contractual obligations are performed and revenue is recognised Statement of Comprehensive Income.

Contract assets

At the end of the year the Company recognises a contract asset for the accrued income that has not been invoiced yet to Customers and is included in Contract Assets in the Statement of Financial Position. When the relevant invoice is issued to customers, the Company recognises the relevant asset since such issuance is the point in time at which the Company's right to consideration becomes unconditional (since only the passage of time is needed before payment of such consideration is due). The Company acquires an unconditional right once the relevant invoices are issued.

The Company tests contract assets for impairment in accordance with IFRS 9.

Revenue from services is a distinct performance obligation in the context of which revenue is recognised over time given that the customer simultaneously receives and consumes the benefits provided by the entity's performance, as the entity performs. The transaction price is agreed with the customer and does not include any variable consideration. Progress is determined using the cost-to-cost method.

4.14 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a specific period of time in exchange for consideration.

The Company as lessor

Leases where the lessor does not transfer substantially all the rewards and risks deriving from ownership of the leased asset are classified as operating leases. When the assets are leased under an operating lease, the assets are included in the statement of financial position based on the nature of the asset. Rental income under operating leases is recognised under the terms of the lease using the straight line method.

A lease where all financial risks and rewards deriving from ownership of the leased asset are substantially transferred is treated as a finance lease.

The assets leased under a finance lease are derecognised and lessors recognise a receivable equal to the net investment in the lease. The lease receivable is discounted using the effective interest rate method and the book value is adjusted accordingly. Receivable lease payments are increased based on the interest applicable to the receivable and decreased once lease payments are collected.

The Company as lessee

The Company recognises lease liabilities for lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Company recognises the right-of-use assets on the inception date of the lease term (namely the date on which the underlying asset is available for use). As far as the subsequent measurement is concerned,

the Company applies the cost method to measure the right-of-use assets. Therefore, the right to use leased assets will be measured at cost after deducting the accumulated depreciation and accumulated impairment losses, and will be adjusted due to remeasurement of lease liability. The right-of-use assets are depreciated on a straight-line basis to the earlier of the end of the lease term or the end of the useful life of the asset.

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include contractual fixed payments less any grants offered, variable lease payments that depend on an index, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised and payments of penalties for terminating a lease, if the lease term reflects with reasonable certainty the Company exercising the option to terminate. The variable lease payments that do not depend on an index are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced by the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment to purchase the underlying asset. These remeasurements are posted in a row with a note regarding the right-of-use assets as conversions.

4.15 Profit allocation, dividend distribution

The allocation of profits for the year and recognition of the obligation to distribute dividend are recognised in the financial statements insofar as they are finally approved by the General Meeting of shareholders.

4.16 Foreign currency transactions and balances

Foreign currency transactions are translated into the Company's functional currency using the exchange rates prevailing on the date of each transaction. Gains and losses from foreign exchange differences arising from the settlement of such transactions during the period and from conversion of currency units expressed in foreign currency on the reporting date of the financial statements are recognised in the statement of comprehensive income. When classified in the Statement of Comprehensive Income, foreign exchange differences track the nature of the transactions which gave rise to them.

4.17 Derivatives and hedge accounting

The Company holds derivatives to hedge cash flows and fair value. Derivative financial assets include futures to hedge the financial risk arising from changes in the exchange rate with foreign currencies (mainly USD or GBP).

The results from the settled operations of financial risk management are recognised through profit or loss when they are realised (stock market results on copper, aluminium and foreign currency contracts). Derivatives are initially and subsequently recognised at fair value. The method by which profits and losses are recognised depends on whether derivatives are designated as a fair value or cash flow hedging instrument. Derivatives are recognised when the transaction is entered into by the Company as hedges for the fair value of receivables, liabilities or commitments (fair value hedges) or very probable transactions (cash flow hedges).

When entering into transactions the Company records the proportion between hedging instruments and hedged assets and the relevant financial risk management strategy. When entering into the contract and thereafter the estimate is recorded about the high effectiveness of hedging both for fair value hedges and for cash flow hedges. As for future transaction hedging, the probability to complete the transaction is substantiated.

A. Fair value hedging

Changes in the fair value of derivatives which are defined as fair value hedges are posted through profit or loss as are the changes in the fair value of the hedged assets which are attributed to the risk offset.

B. Cash Flow hedges

The effective proportion of the change in the fair value of derivatives defined as cash flow change hedges is posted to an Equity Reserve. The gain or loss on the non-effective proportion is posted through profit or loss. The amounts posted as an Equity Reserve are carried forward to the results of the periods where the hedged assets affect profits or losses. In cases of hedging forecast future transactions which result in recognition of a non-monetary asset (e.g. inventory) or liability, profits or losses which had been posted to equity are carried forward to acquisition cost of the non-financial asset generated.

When a hedging instrument matures or is sold or when the hedge no longer meets the hedge accounting criteria, the profits and losses accrued to 'Equity' remain as a reserve and are reclassified to profit or loss when the hedged asset affects profit or loss. In the case of a hedge on a forecast future transaction which is no longer expected to be realised, the profits or losses accrued to Equity are carried forward to the statement of profit and loss.

C. Power Purchase Agreements (PPAs)

The Company first assesses Power Purchase Agreements (PPAs) and the related Green certificates of origin (GoOs) contracts, following the requirements of IFRS 10, IFRS 11 or IAS 28, to conclude whether there is a control, joint control or a significant influence over the underlying renewable facilities and if not, then the requirements of IFRS 16 for lease recognition are considered. When the outcome of the above assessment is that the Company neither controls, jointly controls or exercises significant influence nor leases the underlying facilities, then such agreements are accounted for as derivative financial instruments to the extent that the criteria for exemption from IFRS 9 scope as own-use contracts are not met. Accordingly, when the agreements to deliver non-financial items (e.g. electricity, GoOs) are consistent with the expected purchase requirements of the Company, the own-use criterion of IFRS 9 is met and these are accounted for as executory contracts. Thereafter, the executory contracts are further assessed whether they contain embedded derivatives which meet IFRS 9 requirements to be accounted for separately from their host contract.

4.18 Rounding off

The amounts in these Financial Statements have been rounded off in Euro. Due to that, discrepancies which may arise are due to such rounding off.

5. Financial risk management

5.1 Financial risk factors

Due to its operations, the Company is exposed to financial risks such as market risk (changes in foreign exchange rates, interest rate risk), credit risk and liquidity risk. The Company's general risk management plan focuses on the unpredictability of financial markets and seeks to minimise potential negative impacts of the volatility in financial markets on Company financial performance.

Risk management is assumed by Company Management. Company Management identifies, assesses and takes steps to hedge financial risks.

Company risk management policies are implemented to recognise and analyse risks faced by the Company and to set risk assumption limits and implement checks and controls relating to them. Risk management policies and the relevant systems are periodically examined to incorporate changes noted in market conditions and Company operations.

Supervision of compliance with risk management policies and procedures has been assigned to the Internal Audit Department, which conducts ordinary and extraordinary audits regarding the application of procedures, the findings of which are disclosed to the Board of Directors.

(a) Market risk

Exchange risk (note 24)

The Company does not face any major exchange risk as it operates in Europe and thus the largest part of its transactions is carried out in Euro. However, part of the Company's merchandise purchases takes place in US Dollars.

The Company mainly enters into future contracts with its external counterparties to hedge the risk of exchange rate changes, which primarily mature in less than one year from the Financial Statements date. When necessary, such futures are renewed upon maturity.

Loan interest is in the same currency as that used in the cash flows arising from the Company's operating activities, which is Euro.

Price risk

The main market risk consists in the volatility risk of raw materials (scrap) prices which, in turn, contribute significantly to how the final price of products is established. The Company's policy is to present inventories at the lower between the acquisition cost and net realisable value. In periods of price fluctuation, the results are affected by the devaluation of inventories.

Cash flow risk and risk of change in fair value due to interest rate changes

The Company finances its investments and its needs for working capital from bank and bond loans resulting in interest charges affecting its results. Rising interest rates will have a negative impact on results as the Company's borrowing costs will increase.

The effect that changes in interest rates have on profit or loss is analysed in note 25

(b) Credit risk (note 24)

Credit risk is the risk of loss to the Company where a customer or third party in a financial instrument transaction does not discharge its contractual obligations and primarily relates to trade receivables. There is also a potential credit risk from cash and cash equivalents, investments and derivatives contracts.

The Company's exposure to credit risk is primarily affected by the characteristics of each customer. The demographics of the Company's clientèle, including the risk of default specific to this market and the country in which customers operate, have a limited effect on credit risk since there is no geographic concentration of credit risk.

The Board of Directors has developed a credit policy which requires that all new customers are scrutinised individually as regards their creditworthiness before normal payment terms are proposed to them. Credit lines are set for every customer, and they are re-examined in the light of current circumstances and, if required, the relevant sales and payment terms are readjusted accordingly. Customer credit lines are normally determined based on the insurance limits obtained for them from insurance companies and then receivables are insured based on such credit lines.

When monitoring the credit risk of customers, the latter are grouped according to their credit characteristics, the maturity characteristics of their receivables and any past problems of recoverability they have shown. Trade and other receivables include mainly wholesale customers of the Company. Any customers characterised as being of "high risk" are included in a special list of customers and future sales must be received in advance. Depending on the background of the customer and its capacity, the Company demands real or other security (e.g. letters of guarantee) in order to secure its receivables, if possible.

As regards inter-company customers, the Company calculates expected credit losses, based on the ultimate parent Company's credit risk. As for years 2025 and 2024, no provision was raised for receivables from inter-company customers due to the insignificant amount that arose from the assessment conducted.

The Company makes impairment provisions which reflect its assessment of losses and expected losses from customers, other receivables and the investment securities. This provision consists mainly of impairment losses from specific receivables and is assessed based on given circumstances that they will be incurred but have not been finalised yet.

Cash and cash equivalents are considered items with low credit risk according to the credit rating that was performed.

(c) Liquidity risk (note 24)

The largest part of borrowing refers to long-term loans.

The Company is financed solely by Greek financial institutions.

The approach adopted by the Company to manage liquidity is to ensure, by holding absolutely necessary cash assets and adequate credit lines from cooperating banks, that it will always have adequate liquidity to satisfy its obligations when they mature, under normal or more challenging conditions, without incurring unacceptable damage or putting its reputation at risk. To avoid liquidity risk, the Company

makes a cash flow provision for one year when preparing the annual budget and makes a monthly rolling provision for three months to ensure that it has adequate cash to cover its operating needs.

The Company has direct access to funding sources and in the past refinanced its short-term loan liabilities. The Company assesses that refinancing of its short-term borrowings will continue in the future as in the past, if deemed necessary.

5.2 Capital management

The Board of Directors' policy is to maintain a strong capital base, in order to keep the Company trustworthy among investors, creditors and market players, and enable the future development of the Company's operations. The Board of Directors monitors the return on capital, which is defined by the Company as net results divided by total equity and minority interests. The Board of Directors also monitors the level of dividends distributed to holders of common shares.

There have been no changes in the approach adopted by the Company concerning capital management during the financial year.

5.3 Determination of fair value

The Company uses the following hierarchy to determine and disclose the fair value of assets and liabilities:

- Level 1: Quoted market prices (without any amendment or adjustment) on financial assets traded in active money markets.
- Level 2: Observable inputs regarding the valued asset and liability item other than Level 1 prices, such as trading prices for similar products, trading prices in inactive markets or other inputs that are either observable or may rely on observable inputs (for instance, prices arising from observable inputs) for almost the entire duration of the financial instrument.
- Level 3: Information on the valued asset and liability item that is not based on observable market inputs (non observable inputs). If fair value is calculated using observable inputs that require significant adjustments based on non observable inputs then calculation falls under Level 3. Level 3 includes financial instruments the value of which is calculated using valuation models, discounted cash flows and similar techniques, as well as instruments the fair value of which is calculated according to Management's important judgement or estimations.

The various levels are as follows:

<i>Amounts in Euro</i>		31.12.2025			
		First level	Second level	Third level	Total
Other investments		-	-	212,479	212,479
Total		-	-	212,479	212,479

<i>Amounts in Euro</i>		31.12.2024			
		First level	Second level	Third level	Total
Other investments		-	-	212,479	212,479
Total		-	-	212,479	212,479

Measurement process

The financial department undertakes the measurement of Level 3 financial assets and fair values, required for the financial reporting. The process is conducted once a year according to the Company's annual reporting dates.

Other investments have evolved as follows in 2025 and 2024:

<i>Amounts in Euro</i>	2025	2024
Balance on 1 January	212,479	212,479
Balance on 31 December	212,479	212,479

Fair value of financial items in Assets and Liabilities measured at amortised cost

The carrying amount of loans approaches the fair value, as the discount impact is not significant.

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

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables
- Contract liabilities
- Other non-current receivables
- Other non-current liabilities
- Loans

The nominal value of trade receivables less doubtful debts is estimated to approach their fair value. Moreover, it is estimated that the nominal value of liabilities approaches their fair value due to the short-term nature of these accounts.

5.4. Economic circumstances risk

Macroeconomic environment risks

The Company assesses the effects that may arise from changes to the global economic environment, evaluating their impact on the markets in which the Company operates.

The global macroeconomic and financial environment is showing signs of improvement, however uncertainties persist. The Company's Management evaluates on an ongoing basis the likely effects of any changes to the worldwide macroeconomic and financial environment to ensure that all necessary actions and measures are taken to minimise any effects on the Company's activities.

The Company reviewed the effects of the current macroeconomic environment on the measurement of non-financial and financial assets.

In addition, Management reassessed the recoverability of trade and other receivables including intra-company receivables. Management evaluated the effect of the economic backdrop on the calculation of expected credit losses (ECL) and the effect of credit risk on the amount, time and uncertainty of future cash flows.

Management assesses on an ongoing basis the likely effects of any changes to the macroeconomic and financial environment in Greece, having regard to global economic developments, so as to ensure that all necessary steps are taken to minimise the effects on the Company's global operations.

SOVEL's strong customer base outside Greece minimises liquidity risk that may result from uncertainty of the economic environment in Greece.

SOVEL closely monitors and evaluates on an ongoing basis the developments in the international and domestic environment and timely adapts its business strategy and risk management policies in order to minimise the impact of the macroeconomic conditions on its operations.

Risks related to climate change

The Company is aware of the importance of global climate change and environmental matters. Climate change risks entail changes for the Company's operations such as increased energy cost, volatility of energy and fuel prices, disruption of energy supply, non-compliance with the relevant environmental laws and potential damage to our facilities due to extreme weather conditions, all of which potentially leading to reputational damage and operating disruptions.

However, in its attempt to help mitigate such matters, the Company works methodically to minimise any likely negative impacts and proactively addresses risks emerging in all its operations. The Company complies with applicable environmental laws and relevant provisions, incorporates sustainable practices and procedures while conducting all necessary environmental impact assessments. Moreover, the Company is committed to carrying on its business activities in an environmentally responsible manner, acknowledging that environmental protection, energy saving and preservation of natural resources are an integral part of responsible and sustainable business development.

Management has assessed the likely economic effects related to risks. The following assessments were made in relation to the financial statements:

- Climate change is not expected to have a material impact on the Company as a going concern nor on its sustainability in the years ahead.
- Climate change is not expected to have a material impact on those factors (such as useful life and amortisation methods) determining the book value of non-current assets nor the company as a going concern.
- Climate change is not expected to have a material impact on the provisions for the cash flows used in impairment estimates of the value in use of non-current assets nor the company as a going concern.

Management has concluded that there are no further significant economic effects of climate change risks on the Company's Financial Statements.

Effects of energy prices

When carrying on its business activities, the Company is exposed to fluctuations of natural gas and electricity prices. The Company does not use any hedging instruments in relation to its future needs for natural gas and electricity; as a result, any price increase may have a negative impact on production cost.

Likely effects of the crisis in Ukraine and Middle East

The Company does not operate in the affected regions nor has any major exposure to goods affected by the crises in Ukraine and Middle East; thus, its financials have not been affected. In all events, in light of the ever-changing circumstances, Management monitors developments and is ready to take all necessary steps, if necessary.

6. Revenue

The tables below present the geographical allocation of sales and their itemised breakdown:

<i>Amounts in Euro</i>	2025	2024
Sale of goods and products (at a point in time)	472,173,984	449,671,648
Rendering of services	9,436,856	2,289,665
Sales of scrap and raw materials (at a point in time)	884,500	23,421,325
Other	39,596	102,476
Total	482,534,936	475,485,114

<i>Amounts in Euro</i>	2025	2024
European Union (including Greece)	440,916,911	416,069,288
Other European countries	31,051,533	27,471,968
Asia	10,566,492	31,943,858
Total	482,534,936	475,485,114

The increase in revenue is attributed to the increase in demand for steel products.

In the course of the Company's activities, a part of the turnover is generated by a limited number of clients; as a result, sales to some of them exceed separately 10% of total revenues. More specifically:

- During 2025, two clients account for 63% and 10%, respectively, of total revenues.
- During 2024, two clients account for 61% and 10%, respectively, of total revenues.

Contract liabilities

<i>Amounts in Euro</i>	Customer advance payments	Total
Balance on 01 January 2024	325,932	325,932
Revenue recognised and included in contract liabilities at the beginning of the period	(325,932)	(325,932)
New contract liabilities outstanding at period end	1,253,404	1,253,404
Balance on 31 December 2024	1,253,404	1,253,404

<i>Amounts in Euro</i>	Customer advance payments	Total
Balance on 01 January 2025	1,253,404	1,253,404
Revenue recognised and included in contract liabilities at the beginning of the period	(1,253,404)	(1,253,404)
New contract liabilities outstanding at period end	1,195,006	1,195,006
Balance on 31 December 2025	1,195,006	1,195,006

7. Other income/expenses

Other income of the Company is analysed as follows:

<i>Amounts in Euro</i>	2025	2024
Grants of the year	29,118	148,934
Amortisation of grants received	22 3,215	245,895
Rental income	51,732	53,832
Income from other activities	69,274	51,243
Income from costs recharged	14,901	9,166
Indemnities	648,717	3,468,624
Gains on sale of property, plant and equipment	-	24,906
Income from reversal of impairment in associates	326,888	-
Other income	442,587	271,347
Total	1,586,432	4,273,947

Income from reversal of investment impairment refers to the income generated from reversal of impairment of SIDMA's investment.

Other expenses of the Company are analysed as follows:

<i>Amounts in Euro</i>	2025	2024
Impairment of investment in a subsidiary	9,000,000	579,532
Loss from write-offs of property, plant & equipment	1,170,956	951,331
Indemnities	527,592	3,923,902
Fines/Sanctions	1,200	-
Expenses recharged	67,027	39,839
Other expenses	2,583	-
Total	10,769,357	5,494,605

The additional provision refers to an investment in the associate SIDMA since the fair value as at 31.12.2024 based on the company's market capitalisation is lower than acquisition cost.

In 2025, based on the annual assessment of investments in subsidiaries, the Company identified indication of impairment in its subsidiary DOJRAN STEEL DOOEL and by assessing the company's business plan the Company established that its value in use is lower than the cost by €9,000 thousand. Therefore, the Company impaired its holding.

8. Expenses per category

Company expenses per category are analysed as follows:

<i>Amounts in EUR</i>	31.12.2025	31.12.2024
Cost of inventories recognised as an expense	322,773,598	350,966,404
Employee benefits	26,438,451	24,431,969
Energy	36,102,988	29,428,819
Depreciation and amortisation	9,759,854	9,120,244
Taxes	780,730	567,478
Insurance expenses	1,576,873	1,813,874
Rental fees	589,621	962,638
Transportation costs (goods and materials)	10,572,068	9,338,705
Promotion and advertising	131,094	174,756
Third party fees	21,918,183	21,073,381
(Gain)/Loss from derivatives	1,573,483	(364,598)
Storage and packaging	194,217	190,122
Production tools and rest consumables	307,810	466,529
Commissions	323,836	274,690
Foreign exchange gains/(losses)	(2,286,902)	1,264,905
Maintenance expenses	4,986,308	4,784,904
Travel and personnel transport expenses	711,578	753,157
Royalties, certifications, subscriptions	206,752	51,132
BoD fees	180,736	354,836
Rest utilities	203,878	75,028
Other expenses	65,941	19,554
Total	437,111,097	455,748,524

During 2024-2025, the Company hedged exchange risk from goods purchases in foreign currency by using derivative financial instruments. The result from derivatives liquidation is reported in the cost of goods sold in line “(Gain)/Losses from derivatives”.

Open positions in forward exchange contracts on the balance sheet date are immaterial.

Restatement of Comparative Information

During 2025, the Company revised the way certain expense categories are presented in order to provide more reliable and comparable information among financial years.

More specifically:

- An amount of €495,585 which had been reported in Administrative Expenses in 2024 and a respective amount of €495,585 reported in Selling Expenses were both reclassified in the operating category Other Expenses.

The above reclassification refers exclusively to a change in presentation and does not affect:

- profit or loss,
- equity,
- or cash flows of the Company.

The comparable information of 2024 has been restated accordingly so as to be fully comparable with the respective items of 2025.

9. Financial Income and Expenses

Financial income and expenses of the Company are analysed as follows:

<i>Amounts in Euro</i>	2025	2024
Financial income		
Interest earned	136,798	14,957
Gain from derivatives	274,244	570,000
Other	-	744,123
Total	411,042	1,329,080
Financial expenses		
Interest charges	16,712,194	19,110,710
Expenses for bank guarantees	192,139	47,022
Other bank commissions	384,512	165,164
Amortisation of borrowing costs	101,428	218,210
Interest expense on factoring with recourse	100,039	-
Interest expense on factoring without recourse	133,968	227,918
Interest on leases	95,998	48,547
Recognised losses from foreign exchange differences	821	-
Reversal of liabilities discount	572,688	-
Total	18,293,788	19,817,571

10. Employee benefits

Personnel pay of the Company are analysed as follows:

<i>Amounts in Euro</i>	2025	2024
Employee remuneration and expenses	17,851,994	17,337,125
Social security expenses	4,384,780	4,422,037
Retirement cost of defined-benefit plans	473,170	339,494
Other employee benefits	3,728,507	2,333,313
Total	26,438,451	24,431,969

The above expenses relating to the Company's operations are analysed as follows:

Cost of goods sold	22,166,190	20,407,374
Selling and distribution expenses	2,527,140	2,613,339
Administrative expenses	1,745,121	1,411,256
Total	26,438,451	24,431,969

The personnel employed by the Company on 31 December 2025 numbered 630 persons (2024: 606)

Employee benefits due to termination of service

Defined-benefit liabilities arise from the requirements of Law 2112/1920 as amended by law 4093/2012.

According to a decision adopted in May 2021 by the IFRS Interpretations Committee, the way in which the basic principles of IAS 19 were applied in Greece is differentiated.

Following the application of the said final decision to the attached Financial Statements, benefits are now attributed to the last 16 years before the retirement date of an employee in line with the hierarchy set out in Law 4093/2012.

Law 4808/2021 equalises wages to the pay of salaried employees.

The amounts recognised in the statement of financial position and changes in the net defined-benefit liability during the year are as follows:

a. Changes in the liability's present value for the Company

<i>Amounts in Euro</i>	2025	2024
Balance on 1 January	1,413,291	1,147,089
Amounts recognised through profit or loss		
Cost of current employment	234,561	192,618
Interest cost	38,286	34,208
Curtailment/ settlement/ termination cost	344,533	112,669
Past service cost	(144,210)	-
	473,170	339,494
Amounts recognised in Equity through other comprehensive income		
Adjustments due to change in economic assumptions	(60,629)	67,427
Empirical adjustments to liabilities	111,705	31,933
Demographic assumptions	-	(3,365)
Other adjustments to equity	-	-
	51,076	95,995
Other		
Payable benefits	(495,437)	(169,287)
	(495,437)	(169,287)
Balance on 31 December	1,442,100	1,413,291

β. Actuarial assumptions

The main assumptions on which the actuarial study was based to calculate the provision are as follows:

	2025	2024
Discount rate	2.95%	2.80%
Inflation	2.00%	2.00%
Future pay increases	3.00%	3.50%
Plan duration	6.22	6.62

γ. Sensitivity analysis

The sensitivity analysis for each significant actuarial assumption which shows how the defined benefit obligation would have been affected by these changes is as follows:

	2025		2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% change)	(2.97%)	3.11%	(3.16%)	3.32%
Future salary growth (0.5% change)	2.87%	(2.76%)	3.04%	(2.93%)
0% percentage of departures	1.14%		1.17%	

11. Income tax

Greek tax laws and the relevant provisions are subject to interpretation by tax authorities. Income tax returns are submitted to tax authorities each year but the profits and losses declared for fiscal purposes remain temporarily open until tax authorities audit the tax returns and books of the taxpayer, at which time the relevant fiscal obligations will be finalised.

Tax losses may be offset against future earnings for a period of five years from the year in which they are incurred, to the degree acceptable to tax authorities.

The income tax recognised in the Statement of Profit or Loss per operation for the years ended on 31/12/2025 and 31/12/2024 is broken down as follows:

Amounts recognised in the Statement of Profit or Loss

<i>Amounts in Euro</i>	2025	2024
Current tax	(7,044,667)	(3,637,897)
Adjustment for prior years	108,865	360,607
Deferred tax	1,097,573	3,023,798
Total	(5,838,229)	(253,491)

Amounts recognised in the Statement of Comprehensive Income

	2025		
	Earnings before taxes	Tax (expense)/ credit	Earnings after taxes
Gain/(loss) from derivatives valuation for hedging purposes - effective portion	261,187	(57,461)	203,726
Recognised actuarial (gains)/losses	(51,076)	11,237	(39,839)
Gain/(loss) from derivatives valuation for hedging purposes – reclassified to profit or loss	-	-	-
	210,111	(46,224)	163,886
	2024		
	Earnings before taxes	Tax (expense)/ credit	Earnings after taxes
Gain/(loss) from derivatives valuation for hedging purposes - effective portion	(216,034)	47,528	(168,507)
Recognised actuarial (gains)/losses	(95,995)	21,119	(74,876)
Gain/(loss) from derivatives valuation for hedging purposes – reclassified to profit or loss	80,002	(17,600)	62,401
	(232,028)	51,046	(180,982)

Under the amendment to article 71 of Law 4172/2013 by article 119 of Law 4799/2021, the amount of advance attested in the income tax return of legal entities is set at 80% for the tax years as of 2021 onwards.

Income tax of the Company differs from the theoretical amount which would have arisen using the domestic rate of tax applicable to Company results. The difference is as follows:

Reconciliation with tax rate

Amounts in Euro		2025		2024
Book profit/(loss) before tax		18,351,508		52,640
Tax calculated at current tax rates	22%	(4,037,332)	22%	(11,581)
Non-deductible tax expenses	(10%)	(1,921,642)	(1.145%)	(602,517)
Tax-exempt income	0%	11,880		-
Adjustment for prior year income tax	1%	108,865	685%	360,607
Tax reported in the Statement of Profit or Loss		(32%)	(5,838,229)	(482%)
				(253,491)

The corporate income tax rate in Greece has been set at 22% for 2025 and 2024.

Unaudited tax years

The Company remains unaudited by tax authorities from financial year 2010 up to current year. However, according to tax laws regarding the statute-barring period of tax years, the tax administration may issue an administrative assessment, estimation or correction of tax within five (5) years from the end of the year in which the deadline for filing a tax return expires. Consequently, Company Management considers that the tax liabilities for the years ended on 31.12.2019 are final.

Furthermore, the Company has received tax compliance certificates for each year from 2011 up to 2024 with an unqualified opinion from its certified public accountant according to Greek tax laws (years 2011-2013 according to the provisions of Article 82 of Law 2238/1994; years 2014-2022 according to the

provisions of article 65A of Law 4174/2013 and years 2023-2024 according to the provisions of articles 78 and 83(54) of Law 5104/2024).

In addition, based on risk analysis criteria, the Greek tax authorities can pick up the Company for a tax audit in the context of audits on companies which received tax compliance certificates with an unqualified opinion from their certified public accountant. In this case, Greek tax authorities are entitled to audit the years they will choose in tax terms, taking into consideration the work for the issue of such tax compliance certificate.

The Company has received an order for partial tax audit for years 2020-2022, which is not expected to be completed during the current year. Additionally, it is noted that no audit order has been issued for the years 2023 to 2025. As for the financial year ended on 31 December 2025, the work of ensuring tax compliance by the statutory auditor under the provisions of articles 78 and 83(54) of Law 5104/2024 is under way and expected to be completed after the financial statements on such period are published. Upon completion of such tax audit, Company's Management does not expect any substantial changes in its tax liabilities other than those recorded and reflected in the Financial Statements.

Based on the above, the Company does not expect any additional taxes and surcharges in the context of the audit of Greek tax authorities for financial years 2020 up to 2025.

Deferred income tax

Deferred tax assets and liabilities are offset when there is an applicable legal right to offset the current tax assets against current tax liabilities and when the deferred income tax relates to the same tax authority. The amounts that are offset are the following:

<i>Amounts in EUR</i>	31.12.2025	31.12.2024
Deferred tax assets	5,483,132	5,003,245
Deferred tax liabilities	(16,396,671)	(16,968,133)
Net deferred tax	(10,913,539)	(11,964,888)

Those differences generating deferred tax assets and liabilities are not expected to be reversed in the following year.

The changes in deferred tax assets and liabilities during the period, without taking into account the offsetting of balances within the same tax authority, are as follows:

<i>Amounts in EUR</i>	Balance on 01 January 2024	In the Statement of Profit or Loss	In the Statement of Comprehensive Income	Balance on 31 December 2024
Property, plant and equipment	(17,418,066)	487,949	-	(16,930,117)
Intangible assets	(10,230)	(6,042)	-	(16,272)
Right-of-use assets	22,864	(13,557)	-	9,307
Inventories	21,743	-	-	21,743
Provisions	(1)	-	-	(1)
Employee benefits	252,360	37,446	21,119	310,925
Thin-cap interest	2,095,740	2,535,602	-	4,631,342
Deferred income	(21,743)	-	-	(21,743)
Derivatives	17,600	(17,600)	29,927	29,927
Total	(15,039,733)	3,023,798	51,046	(11,964,888)

<i>Amounts in Euro</i>	Balance on 01 January 2025	In the Statement of Profit or Loss	In the Statement of Comprehensive Income	Balance on 31 December 2025
Property, plant and equipment	(16,930,117)	709,795	-	(16,220,322)
Intangible assets	(16,272)	(5,818)	-	(22,091)
Right-of-use assets	9,307	3,326	-	12,633
Inventories	21,743	(21,743)	-	-
Provisions	(1)	1	-	-
Employee benefits	310,925	(958)	11,237	321,204
Thin-cap interest	4,631,342	517,953	-	5,149,295
Deferred income	(21,743)	21,743	-	-
Derivatives	29,928	(126,725)	(57,461)	(154,258)
Total	(11,964,888)	1,097,573	(46,224)	(10,913,539)

The provisions of article 49 of Law 4172/2013 on thin capitalisation were applied in 2014 for the first time; they state that the limit of deduction of excessive interest charges is set as a specific percentage of each entity's EBITDA (30% after 2016).

The Company recognised a deferred tax asset of €4,631 thousand as of December 31, 2025 in relation to interest expected to be tax deductible in the years ahead based on Management's business plan.

12. Inventories

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Finished goods	27,167,639	26,452,426
Semi-finished goods	6,415,896	4,240,379
By-products & scrap	1,892,083	1,403,832
Raw direct and indirect materials, consumables and packaging	38,485,355	42,193,452
Spare parts	30,134,954	31,808,127
Total	104,095,926	106,098,215

13. Trade and other receivables

Trade and other receivables are broken down as follows on 31 December 2025 and 2024:

<i>Amounts in Euro</i>		31.12.2025	31.12.2024
Customers		9,889,707	4,455,975
Notes-cheques receivable & bounced		74,940	74,940
Trade receivables from related parties	26	262,547,801	215,703,640
Less: Provisions for impairment		(291,617)	(287,118)
Customer net receivables		272,220,831	219,947,436
Other advance payments		398,794	232,903
Current tax assets		4,302	3,753
Other receivables from related parties	26	71,925	63,579
Receivables from dividends	26	4	4
Other debtors		22,811,021	23,234,979
Less: Provisions for impairment		(48,941)	(51,231)
Total short-term receivables		295,457,936	243,431,423
Other long-term receivables		18,942	15,237
Total receivables		295,476,877	243,446,660

The change in Net Trade Receivables during the year is mainly attributed to the increase in trade receivables from related parties which resulted from an increase in trading activities and respective increase of revenue.

<i>Amounts in Euro</i>		31.12.2025	31.12.2024
Contract assets from related parties	26	5,462	2,062
Contract Assets from third parties		879,701	930,529
Total		885,163	932,591

Contract assets as at 31.12.2024 and 31.12.2025 were fully invoiced during 2025 and 2026, respectively.

Trade and other receivables are expected to be collected within one year from the reporting date of the Financial Statements save an amount of €18,942 which concerns guarantees provided to third parties in the course of the Company's operations. The value of trade and other receivables as shown in the Statement of Financial Position approaches their fair value on the reporting date.

The change in the provision for impairment of trade and other receivables is analysed as follows:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Balance on 1 January	338,350	338,350
Recognised provision	60,659	-
Write offs	(58,450)	-
Balance on 31 December	340,559	338,350

14. Cash and cash equivalents

Cash and cash equivalents for the Company are broken down as follows on 31 December 2025 and 2024:

<i>Ποσά σε Ευρώ</i>	31.12.2025	31.12.2024
Cash in hand and at banks	2.189	3.337
Short-term bank deposits	1.565.529	617.464
Σύνολο	1.567.718	620.801

As at December 31, 2025 and 2024 the Company keeps cash and cash equivalents with systemic Greek banks.

15. Property, plant and equipment

<i>Amounts in Euro</i>	Fields - Plots	Buildings	Machinery	Transportation means	Furniture and fixtures	Fixed assets under construction	Total
Cost							
Balance on 01 January 2024	10,620,723	74,032,967	269,957,992	1,718,621	9,362,774	5,645,185	371,338,262
Additions	-	424,688	5,631,917	208,800	149,164	3,470,928	9,885,497
Sales	-	-	(445,867)	(82,718)	-	-	(528,585)
Destruction	-	-	(1,811,672)	(35,500)	-	-	(1,847,172)
Reclassifications	-	207,112	1,197,368	67,860	128,261	(1,600,601)	-
Balance on 31 December 2024	10,620,723	74,664,767	274,529,738	1,877,063	9,640,200	7,515,512	378,848,003
Accumulated depreciation							
Balance on 01 January 2024	-	(42,447,890)	(185,014,277)	(1,418,242)	(8,436,198)	-	(237,316,608)
Depreciation for the year	-	(1,457,963)	(6,395,195)	(104,410)	(396,241)	-	(8,353,810)
Sales	-	-	108,773	82,718	-	-	191,491
Destruction	-	-	860,342	35,500	-	-	895,842
Balance on 31 December 2024	-	(43,905,853)	(190,440,358)	(1,404,434)	(8,832,439)	-	(244,583,085)
Carrying amount as at 31 December 2024	10,620,723	30,758,914	84,089,380	472,629	807,760	7,515,512	134,264,918

<i>Amounts in Euro</i>	Fields - Plots	Buildings	Machinery	Transportation means	Furniture and fixtures	Fixed assets under construction	Total
<u>Cost</u>							
Balance on 01 January 2025	10,620,723	74,664,767	274,529,738	1,877,063	9,640,200	7,515,512	378,848,003
Additions	31,019	125,952	4,326,215	39,300	579,788	14,086,656	19,188,931
Sales	-	-	-	-	-	-	-
Destruction	-	-	(2,439,971)	-	-	-	(2,439,971)
Reclassifications	-	22,000	3,373,217	-	44,708	(3,492,921)	(52,996)
Balance on 31 December 2025	10,651,742	74,812,719	279,789,200	1,916,363	10,264,696	18,109,247	395,543,967
<u>Accumulated depreciation</u>							
Balance on 01 January 2025	-	(43,905,853)	(190,440,358)	(1,404,434)	(8,832,439)	-	(244,583,085)
Depreciation for the year	-	(1,486,112)	(6,294,130)	(145,176)	(389,320)	-	(8,314,737)
Sales	-	-	-	-	-	-	-
Destruction	-	-	1,269,015	-	-	-	1,269,015
Balance on 31 December 2025	-	(45,391,965)	(195,465,473)	(1,549,610)	(9,221,759)	-	(251,628,807)
Carrying amount on 31 December 2025	10,651,742	29,420,754	84,323,726	366,753	1,042,937	18,109,247	143,915,160

The additions mainly concern machinery used to improve the production capacity of the plant in Almyros.

The account “Fixed assets under construction” refers to investment projects and expenses that were under way on 31.12.2025 and are related to the increase in production capacity of Mini Mills, the reduction in production cost and enhancement of the Group’s operational efficiency.

More specifically, they include:

- replacement and maintenance of equipment at Scrap, Compact Mill, Rolling Mill departments and Steelworks;
- investments in fixed spare parts to enhance the productivity of production departments;
- works in building and plots, as well as other infrastructures supporting the production process;
- investments in IT systems as well as projects related to Health & Safety and Quality for the purpose of improving the overall functioning of plants.

Once they are completed, these projects will be transferred to the respective categories of fixed assets and will start being depreciated in accordance with the Group’s accounting policies.

The Company believes that all fixed assets qualify for a Cash Generating Unit.

An impairment test is carried out in relation to tangible assets when the events and circumstances indicate that their non-amortised value may no longer be recoverable. If the non-amortised value of fixed assets exceeds their recoverable amount, the excess amount accounts for impairment loss which is charged directly to the statement of profit or loss as an expense.

In 2025, the Company tested fixed assets for impairment and concluded that there was no need for impairment since the recoverable amount determined using the discounted cash flow method is higher than the carrying amount of fixed assets.

16. Right-of-use assets

<i>Amounts in Euro</i>	Machinery	Transportation means	Total
<u>Cost</u>			
Balance on 01 January 2024	3,788,148	669,505	4,457,653
Additions	229,618	107,454	337,072
Terminations	(15,141)	(102,458)	(117,599)
Balance on 31 December 2024	4,002,624	674,501	4,677,125
<u>Accumulated depreciation</u>			
Balance on 01 January 2024	(3,061,759)	(314,987)	(3,376,746)
Depreciation for the year	(614,962)	(106,319)	(721,280)
Terminations	8,832	27,611	36,443
Balance on 31 December 2024	(3,667,888)	(393,695)	(4,061,583)
Carrying amount on 31 December 2024	334,736	280,806	615,542

<i>Amounts in Euro</i>	Machinery	Transportation means	Total
<u>Cost</u>			
Balance on 01 January 2025	4,002,624	674,501	4,677,125
Additions	3,034,182	129,859	3,164,041
Terminations	-	(105,700)	(105,700)
Balance on 31 December 2025	7,036,806	698,659	7,735,465
<u>Accumulated depreciation</u>			
Balance on 01 January 2025	(3,667,888)	(393,695)	(4,061,583)
Depreciation for the year	(1,304,312)	(109,880)	(1,414,192)
Terminations	-	82,709	82,709
Balance on 31 December 2025	(4,972,200)	(420,866)	(5,393,066)
Carrying amount on 31 December 2025	2,064,606	277,793	2,342,399

17. Investments in subsidiaries

Investments in subsidiaries have evolved as follows:

<i>Amounts in Euro</i>	2025	2024
Balance on 1 January	48,300,000	48,300,000
Impairment of investments	(9,000,000)	-
Balance on 31 December	39,300,000	48,300,000

Based on the annual assessment of investments in subsidiaries, the Company identified indication of impairment in its subsidiary DOJRAN STEEL DOOEL and by assessing the company's business plan the Company established that its value in use is lower than the cost by €9,000 thousand. Therefore, the Company impaired its holding by €9,000 thousand.

The assumptions used to review the business plan of DOJRAN STEEL DOOEL are set out below:

Valuation method: Discount of future cash flows (DCF)

Cash flow discount rate “Weighted average cost of capital” (WACC): 11.52%

Business plan of valuation flows: 5ετέζ

Perpetuity growth rate: 1.92%

These are the subsidiaries:

Corporate Name	Country of establishment	Balance on 31 December 2024	Impairment	Balance on 31 December 2025	Holding percentage as at 31.12.2025 and 31.12.2024	Operating segment
EANEP ALMYROS SINGLE- MEMBER S.A.	Greece	300,000	-	300,000	100%	Park development
DOJRAN STEEL DOOEL	North Macedonia	48,000,000	(9,000,000)	39,000,000	100%	Iron
Total		48,300,000	(9,000,000)	39,300,000		

18. Investment in associates

<i>Amounts in EUR</i>	2025	2024
Balance on 1 January	4.491.150	5.070.682
Reversal / (recognised) impairment	326.888	(579.532)
Balance on 31 December	4.818.038	4.491.150

The reversal of provision refers to an investment in the associate SIDMA since the fair value as at 31.12.2025 based on the company’s market capitalisation is higher than acquisition cost.

The associated companies are as follows:

Corporate Name	Country of establishment	Balance on 31 December 2024	Accumulated Impairment / Reversal of Impairment	Balance on 31 December 2025	Holding percentage as at 31.12.2025 and 31.12.2024	Operating segment
SIDMA STEEL S.A.	Greece	4,491,150	326,888	4,818,038	20.93%	Iron

19. Share Capital and Other Reserves

On 31 December 2025, the share capital of the Company amounted to EUR 40,981,356 divided into 1,193,400 shares with a nominal value of EUR 34.34 each. The share capital of the Company remained unchanged compared to 2024.

Changes in reserves during the period were as follows:

<i>Amounts in Euro</i>	Statutory reserves	Special reserves	Tax-exempt reserves	Hedging reserves	Other reserves	Total
01 January 2024	4,152,029	194,739	36,977,890	(62,401)	-	41,262,257
Other comprehensive income, net of tax	-	-	-	(106,106)	-	(106,106)
Reclassifications	-	(194,739)	-	-	194,739	-
31 December 2024	4,152,029	-	36,977,890	(168,507)	194,739	41,156,151
01 January 2025	4,152,029	-	36,977,890	(168,507)	194,739	41,156,151
Other comprehensive income, net of tax	-	-	-	203,726	-	203,726
Reclassifications	-	-	-	-	-	-
31 December 2025	4,152,029	-	36,977,890	35,219	194,739	41,359,877

Pursuant to Greek laws, tax-free reserves are exempted from income taxation, under the condition that these reserves shall not be distributed to shareholders.

Pursuant to Law 4172 (paragraph 12) and in case the non-distributed or non-capitalised reserves of legal entities under article 45 of the Hellenic Income Tax Code, as established until 31 December 2013 and resulting from their exemption in pursuance of the provisions of Law 2238/94 as of 1 January 2014, are not distributed or capitalised, they must be offset at the end of each tax year against tax identifiable losses regardless of how they were caused over the last 5 years until fully used.

20. Loans and borrowings

Total borrowing of the Company on the reporting date is as follows:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Long-term borrowings		
Secured bond issues	150,795,200	160,707,293
Unsecured bond issues	50,808,498	5,737,833
Lease liabilities	692,028	401,450
Total	202,295,726	166,846,576
Short-term borrowings		
Secured bank loans	19,265,620	5,474,527
Unsecured bank loans	31,102,713	81,445,094
Secured bond issues	10,184,402	15,951,436
Unsecured bond issues	25,029,918	1,484,813
Factoring with recourse	314,391	387,214
Lease liabilities	1,707,794	256,399
Total	87,604,839	104,999,482
Total borrowing	289,900,565	271,846,058

The maturity dates for all borrowings and lease liabilities are as follows:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Up to 1 year	87,604,839	104,999,482
Between 1 and 2 years	18,305,902	11,051,703
Between 2 and 5 years	182,088,651	43,192,052
Over 5 years	1,901,173	112,602,822
Total	289,900,565	271,846,058

Pursuant to the terms of loan agreements, the Company must comply with financial and non-financial terms and such compliance is verified on an annual basis. Management has reviewed the measures that must be taken to mitigate the risk related to any likely failure of compliance and expects that in case such terms are not complied with, waivers shall be granted, as granted in the past when requested.

Loans are presented in the financial statements in line with the respective repayment schedule.

The effective weighted average interest rates on the date Financial Statements were prepared are as follows:

	31.12.2025	31.12.2024
Bank loans (current) - EUR	4.43%	5.26%
Bond issues – EUR	4.63%	5.47%

The decrease in borrowing interest is attributed to the decrease in Euribor in relation to 2024.

Loans and lease liabilities for years 2024 and 2025 have evolved as follows:

<i>Amounts in Euro</i>	Bond loans	Other bank loans	Factoring with recourse	Lease liabilities	Total
Balance on 01 January 2024	208,077,297	20,663,944	168,666	1,184,835	230,094,743
New loans/leases	-	66,188,162	218,548	337,072	66,743,781
Debt expenses	218,210	-	-	-	218,210
Terminations	-	-	-	(83,184)	(83,184)
Repayments	(24,082,694)	-	-	(780,874)	(24,863,569)
Interest	13,287,764	5,771,649	-	48,547	19,107,960
Interest repayment	(13,619,203)	(5,704,134)	-	(48,547)	(19,371,884)
Balance on 31 December 2024	183,881,375	86,919,621	387,214	657,848	271,846,058

<i>Amounts in Euro</i>	Bond loans	Other bank loans	Factoring with recourse	Lease liabilities	Total
Balance on 01 January 2025	183,881,375	86,919,621	387,214	657,848	271,846,058
New loans/leases	70,000,000	-	-	3,164,041	73,164,041
Debt expenses	101,428	-	-	-	101,428
Terminations	-	-	-	(23,830)	(23,830)
Repayments	(17,082,858)	(36,649,774)	(72,823)	(1,398,236)	(55,203,692)
Interest	10,091,832	6,715,086	100,039	95,998	17,002,955
Interest repayment	(10,173,758)	(6,616,599)	(100,039)	(95,998)	(16,986,394)
Balance on 31 December 2025	236,818,018	50,368,333	314,391	2,399,823	289,900,565

21. Trade and other payables

The balance of trade payables based on their current or non-current classification is as follows:

<i>Amounts in EUR</i>		31.12.2025	31.12.2024
Suppliers		69,670,106	52,463,466
Notes payable		49,468,345	32,864,448
Social security fund		1,059,956	1,064,100
Amounts due to related parties	26	11,960,415	17,558,892
Sundry creditors		1,475,646	816,532
Accrued expenses		6,087,728	5,207,640
Accrued expenses from related parties	26	696,010	1,497,216
Other taxes and duties		6,249,749	6,582,003
Total current liabilities		146,667,955	118,054,298
Non-current liabilities		2,712,579	9,061,525
Total liabilities		149,380,534	127,115,822

22. Government grants

<i>Amounts in Euro</i>	2025	2024
Balance on 1 January	41,545	287,440
Grants amortisation	(3,215)	(245,895)
Balance on 31 December	38,329	41,545

Grants are related to investments made for the purchase and installation of fixed assets (premises, machinery and means of transport).

23. Derivatives

The following table sets out the book value of derivatives:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Non-current assets		
Interest rate swaps for cash flow hedging purposes	45,152	
Total	45,152	-
Current assets		
Forwards for cash flow hedging	43,481	-
Total	43,481	-
Non-current liabilities		
Interest rate swaps	-	216,034
Total	-	216,034

Interest rate swaps

Borrowing at a variable rate exposes the Company to a rate volatility risk (cash flow risk). The Company has entered into interest rate swap contracts in order to be hedged by interest rate fluctuations, by transforming the variable interest rate of the loan into a fixed one, thus reducing such volatility risk. Interest rate swap contracts involve exchanging, on specified dates, cash amounts equal to the difference between a contracted fixed interest rate calculated on the principal and a variable rate calculated on the same principal. By carefully choosing the variable rate and the principal of the swap, a variable-rate loan is actually transformed into a fixed-rate one.

Such derivatives are classified as Level 2 financial instruments.

The maturity and the nominal value of the interest rate swap contracts held by the Company match the maturity and nominal value of the underlying assets/liabilities (hedged items).

24. Financial Instruments

The financial risks to which the Company is exposed and which are outlined in note 5.1 are as follows:

a) Credit risk

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Customers	295,476,877	243,446,660
Contract assets	885,163	932,591
Total	296,362,041	244,379,251
<i>Less:</i>		
Advance payments and other transit debit balances	(965,502)	(232,903)
Current tax assets	(4,302)	(3,753)
Other receivables	(22,244,313)	(23,234,979)
Total	(23,214,117)	(23,471,635)
Financial assets with financial risk	273,147,924	220,907,616

31.12.2025

<i>Amounts in Euro</i>	Balance net of provisions	Provision for impairment	Balance incl. provisions
Not overdue	81,998,993	-	81,998,993
Overdue in days			
- 0-90	32,264,418	-	32,264,418
- 90-180	103,790,587	-	103,790,587
- 180-360	33,840,897	(58,027)	33,782,870
- >360	21,593,588	(282,532)	21,311,057
Total	273,488,482	(340,559)	273,147,924

31.12.2024

<i>Amounts in Euro</i>	Balance net of provisions	Provision for impairment	Balance incl. provisions
Not overdue	77,977,646	-	77,977,646
Overdue in days			
- 0-90	37,272,244	-	37,272,244
- 90-180	87,922,244	-	87,922,898
- 180-360	14,405,770	(113,639)	14,292,131
- >360	3,668,062	(224,711)	3,443,352
Total	221,245,966	(338,350)	220,907,616

A part of the Company's trade receivables is insured either through letters of guarantee or with an insurance company.

Insured balances net of provisions for impairment are set out below:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Non-insured balances with affiliated companies	262,619,727	215,767,223
Balances involving a credit event (as a whole or in part)	252,969	246,134
Insured balances	9,632,020	1,690,956
Non-insured balances	983,766	3,541,653
Total	273,488,483	221,245,966

Breakdown of provision for the above balances

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Non-insured balances with affiliated companies	-	-
Balances involving a credit event (as a whole or in part)	(252,969)	(246,134)
Insured balances	(864)	(364)
Non-insured balances	(86,725)	(91,852)
Total	(340,559)	(338,350)
Grand Total	273,147,924	220,907,616

The Company's historic losses amount to a percentage below 0.1% of sales and are calculated based on actual losses for years 2019-2025, divided by total sales for 2019-2025.

β) Liquidity risk

The table below sums up the maturity dates of financial liabilities as at 31.12.2025 and 31.12.2024 based on the payments arising from the relevant contracts at non-discounted prices:

<i>Amounts in Euro</i>		2025				
	Balance on 31 December 2025	Up to 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bank loans	50,682,724	50,682,724	-	-	-	50,682,724
Bond loans	236,818,018	45,782,699	27,475,766	203,809,544	1,762,746	278,830,755
Lease liabilities	2,399,823	1,769,941	423,004	168,228	189,647	2,550,820
Contract liabilities	1,195,006	1,195,006	-	-	-	1,195,006
Trade and other payables	149,380,534	146,496,520	3,055,449	-	-	149,551,969
Derivatives	-	-	-	-	-	-
Total	440,476,105	245,926,890	30,954,220	203,977,772	1,952,393	482,811,274

<i>Amounts in Euro</i>		2024				
	Balance on 31 December 2024	Up to 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Total
Bank loans	87,306,835	87,306,835	-	-	-	87,306,835
Bond loans	183,881,375	27,006,075	20,225,672	65,308,482	118,268,615	230,808,844
Lease liabilities	657,848	281,974	110,324	395,224	-	787,522
Contract liabilities	1,253,404	1,253,404	-	-	-	1,253,404
Trade and other payables	127,115,822	117,310,174	6,921,634	2,884,014	-	127,115,822
Derivatives	216,034	-	216,034	-	-	216,034
Total	400,431,318	233,158,462	27,473,664	68,587,720	118,268,615	447,488,462

γ) Exchange rate risk

<i>Amounts in Euro</i>		2025	
	EURO	US\$ USA	Total
Trade and other receivables	295,476,877	-	295,476,877
Contract assets	885,163	-	885,163
Cash and cash equivalents	1,554,596	13,122	1,567,718
Total receivables	297,916,637	13,122	297,929,759
Loans and lease liabilities	289,900,565	-	289,900,565
Trade and other payables	100,208,066	49,172,468	149,380,534

Contract liabilities	1,195,006	-	1,195,006
Total liabilities	391,303,637	49,172,468	440,476,105
Net total risk	(93,387,000)	(49,159,346)	(142,546,346)

<i>Amounts in Euro</i>	2024		
	EURO	US\$ USA	Total
Trade and other receivables	243,446,660	-	243,446,660
Contract assets	932,591	-	932,591
Cash and cash equivalents	595,324	25,477	620,801
Total receivables	244,974,576	25,477	245,000,053
Loans and lease liabilities	271,846,058	-	271,846,058
Trade and other payables	94,251,374	32,864,448	127,115,822
Contract liabilities	1,253,404	-	1,253,404
Total liabilities	367,350,835	32,864,448	400,215,284
Net total risk	(122,376,260)	(32,838,971)	(155,215,231)

The amounts presented at the column “EURO” are included for total reconciliation purposes.

The exchange rates used per financial year are as follows:

	EUR exchange rate on	
	31.12.2025	31.12.2024
USD	1.1750	1.0389

Sensitivity analysis

<i>Amounts in Euro</i>	Profit or loss	
	Improvement	Weakening
2025		
US\$ (10% change)	4,469,031	(5,462,150)
GBP (10% change)	-	-
2024		
US\$ (10% change)	2,985,361	(3,648,775)
GBP (10% change)	-	-

δ) Interest rate risk

<i>Amounts in Euro</i>	Profit or loss	
	Increase by 0.25%	Decrease by 0.25%
Effect on Euro on 31.12.2025		
Variable-rate financial instruments	(718,752)	718,752
Effect on Euro on 31.12.2024		
Variable-rate financial instruments	(677,971)	677,971

25. Contingent liabilities

The Company has contingent liabilities analysed as follows:

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Guarantees to secure payables to suppliers	77,819,785	46,794,880
Mortgages and statutory notices of mortgage issued against lots & buildings	126,460,829	127,803,753
Amount of mortgage against the inventory	40,000,000	40,000,000
Other liabilities	48,786,000	52,204,000
	293,066,614	266,802,633

The assigned mortgages and statutory notices of mortgage (plots, buildings and stock) concern collateral for a bond loan.

The amount of mortgage against inventory refers to collateral for a bond loan.

Other liabilities refer to loans taken out by related parties for which the Company has provided guarantees.

At the Balance Sheet date there are no significant pending court cases against the Company.

The general assessment of the legal advisers on these cases is that no additional provisions for these cases are required.

26. Transactions with related parties

The Company's related parties consist of its subsidiaries and associates, executive members of its Board of Directors as well as the subsidiaries and associates of VIOHALCO Group. These transactions are broken down as follows:

<i>Amounts in Euro</i>	2025	2024
Sale of goods		
Parent company	301,706,128	288,711,714
Subsidiaries	7,936,978	3,414,693
Other related parties	54,744,595	57,153,791
	364,387,701	349,280,199
Rendering of services		
Parent company	94,453	93,359

Subsidiaries	8,186	44,257
Other related parties	258,946	89,740
	361,585	227,356
Purchase of goods		
Parent company	13,083,273	13,982,617
Other related parties	12,135,332	69,021,157
	25,218,605	83,003,774
Purchase of services		
Parent company	7,847,076	8,379,823
Subsidiaries	303	-
Associates	140,996	138,715
Other related parties	8,296,241	7,411,434
	16,284,617	15,929,972
Purchase of fixed assets		
Parent company	32,170	6,230
Associates	60,769	52,228
Other related parties	1,035,431	1,004,233
	1,128,370	1,062,691

<i>Amounts in Euro</i>	2025	2024
Benefits to Management		
Remuneration of Management and Board Members included in the employee benefits	530,073	473,786
	530,073	473,786

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Receivables from related parties		
Parent company	183,166,602	178,059,555
Subsidiaries	14,851,270	6,906,854
Other related parties	64,992,483	30,800,814
	263,010,355	215,767,223

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Contract assets from related parties		
Other related parties	6,030	2,062
	6,030	2,062

<i>Amounts in Euro</i>	31.12.2025	31.12.2024
Liabilities to related parties		
Parent company	5,689,807	2,031,908
Associates	89,717	81,748
Other related parties	6,876,902	16,942,452
	12,656,425	19,056,108

SIDENOR S.A. is the Company's parent company holding directly 64.78% while VIOHALCO S.A. is the ultimate parent company.

Dividends

During the year the Company received income from dividends related to its holding in STEELMET S.A., which amount to €54,000.

27. Events after the date of the Statement of Financial Position

After the 31st of December 2025, the developments in the Middle East and specifically the situation in Iran have resulted in increased geopolitical uncertainty, volatility in the international energy and commodity markets, as well as eventual effects on supply chains, transports via critical maritime routes and operating costs of businesses having direct or indirect exposure to the region.

It is stressed that the Company is neither engaged in any business activities in the affected areas nor has any major exposure to commodities affected by the geopolitical crisis in the Middle East. Therefore, the Company's key financials have not been materially affected. However, in light of the ever-changing dynamics of the circumstances, Management closely monitors the situation and is prompt in taking all appropriate measures, when deemed necessary.

Following the publication of separate and consolidated financial statements as at 31 December 2025, there were no other events than the above that could have a significant effect on the understanding of such financial statements and have to be disclosed or entail a change in them.

Athens, 3 July 2026

The Chairman of
the Board

The Authorised Officer

The Financial Manager